



LASTING PRODUCTS THAT
INCREASE ENJOYMENT AND
SOLVE EVERYDAY PROBLEMS



FISKARS

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REPORT BY THE BOARD OF DIRECTORS 2012

2012 in brief

Against the background of a volatile business environment and weakening economic climate in Europe, Fiskars' business performed steadily in 2012. Net sales increased by 1% to EUR 747.8 million (2011: EUR 742.5 million) despite the divestment of Silva during the third quarter 2011 and slower snow tools sales than in 2011.

The Group's operating profit excluding non-recurring items grew by 2% to EUR 63.1 million, reaching again an all-time high. Including non-recurring items, operating profit increased by 21% to EUR 63.9 million (52.8). This good development was driven by increased efficiency in Fiskars' own operations.

Cash flow from operating activities was EUR 95.0 million (107.4) and earnings per share were EUR 2.18 (1.91), including a non-recurring profit of EUR 1.06 (0.85) per share from the sale of Wärtsilä shares. The Board proposes a dividend of EUR 0.65 (0.62 plus an extraordinary dividend 0.75) per share.

Group performance

Operating environment in 2012

In 2012, the unstable financial climate, combined with cuts in government spending, reduced consumer confidence in Europe, and tight inventory management was still a priority for retailers. The sentiment in Northern Europe was more stable than in Southern Europe, where market conditions were especially challenging. The economic climate weakened during the year, impacting retailers and consumers in many markets. In many European countries garden-related retail suffered additionally due to unusually bad, rainy weather.

In North America, the year began with cautious optimism, and consumers seemed to be gaining more confidence and to be willing to spend on purchases which they had put off. In the spring and summer, consumer confidence deteriorated as Americans grew more pessimistic about their finances yet again. Warmer weather helped DIY and garden retailers, some of which continued to work down inventories from the previous year's poor garden selling season. Towards the end of the year a string of encouraging signs from the economy boosted consumer sentiment and retail spending increased, but worries about the fiscal cliff again dampened sentiment at the end of the year. Despite the growth in retail sales, retailers were still holding back on replenishing inventories.

Net sales

EUR million	2012	2011	Change	Change cn*
Group	747.8	742.5	1%	-3%
EMEA	501.9	516.8	-3%	-4%
Americas	250.4	232.5	8%	0%

* currency neutral.

Operating profit (EBIT)

EUR million	2012	2011	Change
Group	63.9	52.8	21%
EMEA	42.6	33.7	26%
Americas	34.2	30.5	12%
Other	-12.9	-11.4	13%

Net sales and operating profit

In 2012, Fiskars' net sales increased by 1% to EUR 747.8 million (742.5) despite the divestment of Silva during the third quarter 2011 and slower snow tools sales than in 2011. Comparable net sales, using comparable exchange rates, and excluding Silva in Q1-Q2 2011 decreased by 1%. Net sales in EMEA decreased, whereas sales in the Americas increased thanks to favorable exchange rates.

Net sales for EMEA amounted to EUR 501.9 million (516.8), and for the Americas to EUR 250.4 million (232.5).

The Group's operating profit excluding non-recurring items grew by 2% to EUR 63.1 million, reaching again an all-time high. Including non-recurring items, operating profit increased by 21% to EUR 63.9 million (52.8). This good development was driven by increased efficiency in Fiskars' own operations.

Operating profit for EMEA amounted to EUR 42.6 million for the year (33.7). Non-recurring income amounted to EUR 0.8 million in Q3 2012, resulting from the reversal of a provision relating to the sale of Silva in 2011. There were no non-recurring costs in 2012. In 2011 non-recurring expenses amounted to EUR 9.3 million, of which EUR 5.3 million related to the sale of the Silva business and EUR 3.0 million to a competition infringement fine. In the Americas, operating profit for the segment increased by 12% in 2012, totaling EUR 34.2 million (30.5, which included a EUR 1.1 million non-recurring product recall cost during the third quarter). The growth in SOC sales contributed to the increase in profit.

Financial items and net result

Fiskars' share of profit from its associated company, Wärtsilä, in 2012 was EUR 47.8 million (42.7). The change in the fair value of biological assets was EUR 5.6 million (-1.0). There was a positive effect of EUR 4.4 million on the fair value of biological assets, resulting from the third-party verified stocktaking during 2012, where both the total amount of standing timber and the proportional amounts of different types of timber were updated.

Net financial costs totaled EUR -3.8 million (-2.4). Profit before taxes was EUR 200.4 million (161.8) in 2012. In Q2 2012, Fiskars recorded a profit of EUR 87.0 million (Q1 2011: 69.8) from the sale of part of its shareholding in Wärtsilä. In 2011, income taxes were affected positively by the change in the 2012 corporate tax rate in Finland, which was decided upon in December 2011. Earnings per share were EUR 2.18 (1.91) for January–December.

Investment program in EMEA

Fiskars is in the process of implementing a new, integrated operating model. In December 2010, the company launched a major, five-year investment program to create competitive structures, systems and processes in EMEA, including a new shared enterprise resource planning (ERP) system.

The investment of approximately EUR 50 million will be funded by operative cash flow. During these years, the program will increase Fiskars' operating expenses and capital expenditure.

The implementation of the system in the countries began during 2012. The most important implementations will take place in 2013 and 2014.

After an initial implementation period, the investment program is expected to further enhance the efficiency of Fiskars' operations and gradually improve profitability and cash flow, as well as provide a platform for enhanced customer service and growth.

Cash flow, balance sheet and financing

Cash flow from operating activities was EUR 95.0 million (107.4). The cash flow includes dividends paid by the associated company, Wärtsilä, totaling EUR 26.8 million (40.9).

Cash flow from investing activities was EUR 94.5 million (92.3) during the year. Cash flow from investing activities includes proceeds from the sale of Wärtsilä shares totaling EUR 126.4 million (109.7). In 2011, the divestment of the Silva business had a positive impact on cash flow from investment activities of approximately EUR 6.3 million in total. Cash flow from financing activities was EUR -179.2 million (-199.5) for January–December 2012.

Capital expenditure in 2012 totaled EUR 32.7 million (24.4). The increase in capital expenditure is mostly related to the investment program launched in EMEA in December 2010. The company also invested in new product development, capacity expansion and replacements.

Depreciation was EUR 21.9 million (21.5) in 2012.

Fiskars' working capital totaled EUR 71.4 million (82.7) at the end of December. The equity ratio increased to 66% (59) and net gearing was 12% (27).

Cash and cash equivalents at the end of the period totaled EUR 16.4 million (6.1). Net interest-bearing debt amounted to EUR 72.4 million (150.8). Short-term borrowing totaled EUR 20.4 million (82.5) and long-term borrowing EUR 69.3 million (75.4). Short-term borrowing mainly consists of commercial paper issued by Fiskars Corporation. In addition, Fiskars had EUR 430 million (455) in unused, committed long-term credit facilities with Nordic banks.

In November, 2012, Fiskars signed a EUR 80 million revolving credit facility, which replaced the company's existing EUR 80 million revolving credit facility signed in November 2007. The new facility has a tenor of five years and serves for general corporate purposes.

Research and development

The Group's research and development expenditure totaled EUR 8.1 million (8.6), equivalent to 1.1% (1.2) of net sales. The decrease was related to the divestment of Silva.

Personnel

The Group employed an average of 3,364 (3,545) FTE employees. At the end of December, the Group had a total of 3,449 employees (3,574) on the payroll, of whom 1,610 (1,670) were located in Finland. The decrease in the number of employees is mainly due to the divestment of the Silva business in July, 2011.

Personnel (FTE), average	2012	2011	Change
Group	3,364	3,545	-5%
EMEA	2,604	2,798	-7%
Americas	550	566	-3%
Other	210	180	17%

Operating segments and business areas

Fiskars' operating segments are EMEA (Europe, Middle East, and Asia-Pacific), the Americas, Wärtsilä (associated company), and Other (Real Estate, corporate headquarters, and shared services).

The company's business areas are Home (Living, Kitchen and School, Office, and Craft), Garden, and Outdoor (outdoor equipment and boats).

Business areas

Net sales

EUR million	2012	2011	Change	Change cn*
Home	322.8	306.3	5%	3%
Garden	287.6	294.3	-2%	-5%
Outdoor	133.3	137.8	-3%	-8%

* currency neutral.

EMEA

EUR million	2012	2011	Change
Net sales	501.9	516.8	-3%
Operating profit (EBIT)	42.6	33.7	26%
Capital expenditure	8.4	13.4	-37%
Personnel (FTE), average	2,604	2,798	-7%

Net sales in EMEA decreased 3% to EUR 501.9 million (516.8), due to the divestment in Silva and a decrease in snow tool and boat sales. Comparable sales, currency neutral and excluding Silva in Q1-Q2 2011 decreased 2%.

Net sales in the Home business increased, driven by the Living category. Growth was supported by successful launches and increased distribution. Net sales of Kitchen and School, Office, and Craft products did not reach the previous year's levels.

Net sales in the Garden business were below the previous year, when demand for snow tools was exceptionally strong. Supported by marketing campaigns, Fiskars continued to gain market share and increased sales in other categories in Central Europe, despite rainy weather conditions in the selling season.

Sales of Outdoor products reached 2011 levels in spite of the divestment of the Silva business in July 2011, as the investments in Gerber's international expansion delivered a strong growth in sales. The Boat business was affected by the economic uncertainty, but Buster boats maintained their market leadership.

The segment recorded an operating profit excluding non-recurring items of EUR 41.8 million (42.0). Operational efficiency increased, but costs related to IT systems were higher than in 2011. In Q3 2012, Fiskars recorded a non-recurring income of EUR 0.8 million from the release of a provision related to the sale of Silva.

Americas

EUR million	2012	2011	Change
Net sales	250.4	232.5	8%
Operating profit (EBIT)	34.2	30.5	12%
Capital expenditure	4.4	3.9	13%
Personnel (FTE), average	550	566	-3%

Net sales in the Americas increased 8% to EUR 250.4 million (232.5), supported by good development in the SOC and Garden businesses and the strengthening of the US dollar. Using comparable currency rates, sales remained at the previous year's level.

Garden net sales developed positively, with good development across many key accounts.

Sales of School, Office, and Craft products continued on a strong track, boosted by successful product launches and good back-to-school sales to key accounts.

The Outdoor business area was affected by decreased demand in the institutional channels, and sales did not reach 2011's record levels. Commercial sales developed positively.

The segment's operating profit excluding non-recurring items was EUR 34.2 million (30.5). Strong sales performance in School, Office, and Craft contributed to this development. In 2011, the segment recorded a EUR 1.1 million non-recurring loss related to a Garden product recall during the third quarter.

Other

EUR million	2012	2011	Change
Net sales	6.3	6.2	2%
Operating profit (EBIT)	-12.9	-11.4	13%
Capital expenditure	20.0	7.5	168%
Personnel (FTE), average	210	180	17%

Fiskars' Other segment contains the Real Estate unit, corporate headquarters and shared services.

Net sales were EUR 6.3 million (6.2) for January–December, largely consisting of timber sales and rental income. The operating profit was EUR -12.9 million (-11.4) for January–December.

Acquisition of Royal Copenhagen

On December 12, 2012 Fiskars signed a definitive agreement to acquire 100% of the shares in Royal Copenhagen A/S and Royal Scandinavian Modern KK Japan from Royal Scandinavia A/S, whose controlling parent company is the Danish private equity group, Axcel.

The acquisition of the renowned Danish premium porcelain company, Royal Copenhagen, accelerates the international expansion of Fiskars' Home business. In addition to boosting Fiskars within the Nordic countries, the acquisition will further strengthen Fiskars' position in Asia, where Royal Copenhagen ranks among the leading brands selling premium dining products.

The total consideration payable was EUR 66 million, less net debt and working capital adjustments as per closing of the transaction. The transaction was completed on January 4, 2013, and Royal Copenhagen became a part of Fiskars' Home business area.

In 2011, Royal Copenhagen's net sales were EUR 66 million, its EBIT was EUR 5 million and its balance sheet total was EUR 55 million. The company employed 749 people at the end of 2012. Based on preliminary, unaudited information, the company's net sales and EBIT according to Danish GAAP increased for the year 2012. The acquisition is expected to have a positive effect on Fiskars Group's EBIT from 2013 onwards, but the level of the effect in 2013 is dependent on post-acquisition costs in 2013.

New ownership strategy for Wärtsilä

On April 24, 2012, Fiskars Group agreed with Investor AB to join interests to create a strong long-term owner for Wärtsilä. The legal merging of Fiskars Group's and Investor AB's interests will take place in due course, but the parties are acting in concert concerning the Wärtsilä ownership as of the said date.

As part of the agreement, Fiskars' subsidiary Avlis AB sold 2.08% of the shares in Wärtsilä to Investor AB at a price of EUR 30.90 per Wärtsilä share, totaling approximately EUR 126.8 million. Fiskars Group recorded a non-recurring profit of around EUR 87.0 million in its Q2 2012 results from the transaction.

Fiskars' holding in Wärtsilä now amounts to 13.0% of the shares and votes (15.1), and the Group remains Wärtsilä's single largest shareholder. At the end of 2012, Fiskars Group and Investor AB together owned 42,948,325 shares or 21.77% of Wärtsilä's share capital and votes.

Wärtsilä continues to form one of Fiskars' reported operating segments and is treated as an associated company, as Fiskars considers that it continues to have a significant influence within Wärtsilä.

Associated company Wärtsilä

Wärtsilä's Annual General Meeting was held on March 8, 2012. The Chairman of Fiskars' Board, Kaj-Gustaf Bergh, and Fiskars' Board members, Alexander Ehrnrooth and Paul Ehrnrooth, were re-elected to Wärtsilä's Board of Directors.

Wärtsilä's Annual General Meeting decided to pay a dividend of EUR 0.90 per share (EUR 1.75), which resulted in dividend income of EUR 26.8 million (40.9) for Fiskars.

Fiskars' share of Wärtsilä's profit totaled EUR 47.8 million (42.7) for January–December. At the end of December, the market value of Fiskars' Wärtsilä shares was EUR 839.0 million (663.9) or EUR 10.24 (8.11) per Fiskars share, with a closing price of EUR 32.72 (22.32) per Wärtsilä share. The book value of these shares on the consolidated balance sheet was EUR 280.4 million (300.8).

Changes in management

On March 2, 2012, Fiskars appointed the Group's CFO Teemu Kangas-Kärki as President of its Home business area. Jyri Virrantuomi, Vice President, Finance, was appointed interim CFO for Fiskars Group. Jaakko Autere, former President of the Home business area, left the company. Fiskars Group's new CFO and member of the Executive Board, Ilkka Pitkänen, assumed his position at the beginning of September 2012, reporting to Fiskars' President and CEO, Kari Kauniskangas.

In May 2012, Fiskars introduced a new sales organization for the EMEA region to accelerate growth. As of September 1, 2012 two new sales regions – North and Central – assumed commercial responsibility for their respective regions. Jakob Hägerström was appointed President, Sales Region North and Axel Goss was appointed President, Sales Region Central. Both report to Fiskars' President and CEO, Kari Kauniskangas.

At the end of May, Fiskars announced that Hille Korhonen, the Group's Vice President, Operations, would leave Fiskars in

November to assume a new position outside the company. On November 20, 2012, Risto Gaggl, Vice President, Operations at Fiskars' Garden EMEA business area was appointed Senior Vice President, Supply Chain, and member of the Group's Executive Board.

Share and shareholders

Fiskars Corporation has one series of shares (FIS1V). All shares carry one vote each and equal rights.

The total number of shares at the end of the period was 82,023,341, including 118,099 (118,099) treasury shares. Treasury shares correspond to 0.14% (0.14) of the Corporation's shares and votes. The share capital remained unchanged at EUR 77,510,200.

On August 2, 2012 Fiskars announced the Board of Directors' decision to acquire the company's own shares on the basis on the authorization given by the Annual General Meeting held on March 15, 2012. The authorization may be used to acquire shares to be used for the development of the capital structure of the company, as consideration in corporate acquisitions or industrial reorganizations and as part of the company's incentive system and otherwise for further transfer, retention or cancellation. The maximum number of shares to be acquired is one million (1,000,000), corresponding to 1.2% of the total number of shares. No shares were acquired during 2012.

Fiskars shares are traded in the Large Cap segment of NASDAQ OMX Helsinki Ltd. The average share price was EUR 15.67 in 2012 (16.92). At the end of December, the closing price was EUR 16.69 (EUR 13.94) per share and Fiskars had a market capitalization of EUR 1,367.0 million (1,141.8), excluding treasury shares. The number of shares traded during January–December was 4.9 million (5.7), which is 6.0% (7.0) of the total number of shares.

The total number of shareholders was 16,148 (15,339) as of the end of December. Fiskars was not informed of any significant change among its largest shareholders during the year.

Corporate Governance

Fiskars complies with the Finnish Corporate Governance Code issued by the Securities Market Association, which came into force on October 1, 2010. Fiskars' Corporate Governance Statement for 2012 in accordance with Recommendation 51 of the Code will be published in week 8, 2013 as a separate report.

Fiskars also complies with the insider regulations of NASDAQ OMX Helsinki Ltd., latest updated on October 9, 2009, and the company's internal insider guidelines latest updated on September 1, 2012.

Annual General Meeting for 2012

The Annual General Meeting (AGM) of Shareholders of Fiskars Corporation was held on March 15, 2012. The AGM approved the financial statements for 2011 and discharged the members of the Board and the President and CEO from liability. It was decided to pay a dividend of EUR 0.62 per share, totaling EUR 50.8 million. The dividend was paid on March 27, 2012.

The number of Board members was set at nine. Kaj-Gustaf Bergh, Ingrid Jonasson Blank, Ralf Böer, Alexander Ehrnrooth, Paul Ehrnrooth, Louise Fromond, Gustaf Gripenberg, Karsten Slotte, and Jukka Suominen were all re-elected. The term of the Board members will expire at the end of the AGM in 2013. KPMG Oy Ab was re-elected as company auditor, and Authorized Public Accountant Virpi Halonen was nominated as responsible auditor.

The AGM decided to authorize the Board to acquire a maximum of 4,000,000 Fiskars' own shares and convey a maximum of 4,000,000 Fiskars' own shares. The Board may also decide on the acquisition and conveyance of shares in derogation of the pre-emptive right of shareholders to company shares. Both authorizations will remain in force until June 30, 2013.

Constitutive meeting of the Board

Convening after the Annual General Meeting, the Board of Directors elected Kaj-Gustaf Bergh as Chairman, and Alexander Ehrnrooth and Paul Ehrnrooth as Vice Chairmen.

The Board appointed Gustaf Gripenberg as Chairman of the Audit Committee, and Alexander Ehrnrooth, Paul Ehrnrooth, Louise Fromond, and Karsten Slotte as members. The Board appointed Kaj-Gustaf Bergh as Chairman of the Compensation Committee, and Ralf Böer, Ingrid Jonasson Blank, and Jukka Suominen as members. The Board appointed Kaj-Gustaf Bergh as Chairman of the Nomination Committee, and Alexander Ehrnrooth and Paul Ehrnrooth as members.

Extraordinary General Meeting 2012

Following the sale of 2.08% of shares in Wärtsilä to Investor AB, the Extraordinary General Meeting of shareholders of Fiskars Corporation on September 12, 2012 decided to distribute an extra dividend of EUR 0.75 per share to Fiskars' shareholders, totaling EUR 61.4 million. The dividend was paid on September 24, 2012.

Annual General Meeting 2013

Fiskars Corporation's Annual General Meeting will be held on March 14, 2013 starting at 3 p.m. at the Helsinki Exhibition & Convention Centre. The invitation to the meeting will be published separately.

Board's proposal to the Annual General Meeting

The distributable equity of the Parent Company at the end of the 2012 fiscal year was EUR 778.8 million (448.8). The increase in distributable equity was mainly attributable to the reversal of impairment loss in subsidiary shares of Avlis AB. The Board of Directors proposes to the Annual General Meeting of Shareholders that a dividend of EUR 0.65 per share be paid for 2012.

The number of shares entitling holders to a dividend totaled 81,905,242. The proposed distribution of dividend would thus be EUR 53.2 million. This would leave EUR 725.6 million of distributable profit funds at the Parent Company.

No material changes have taken place in the financial position of the company since the end of the fiscal year apart from the acquisition of Royal Copenhagen. The financial standing of the company is good and, according to the Board of Directors' assessment, distributing the proposed dividend will not compromise the company's solvency.

Risks and business uncertainties

Fiskars' business, net sales and financial performance may be affected by several uncertainties. Fiskars Corporation details the overall business risks and risk management in its Annual Report and on its web site. The principal business uncertainties are related to the following:

- Decline of general market conditions and consumer demand in Fiskars' main market areas, Europe and North America
- Loss of or reduced sales to major retail customers and serious disruptions in the distribution channel
- Sudden or significant fluctuations in raw material and energy prices or availability; the most important raw materials being steel, aluminum, and plastic
- Steering and availability disruptions related to supply chain and country risks, especially regarding suppliers in Asia
- Decrease in consumer confidence in Fiskars' brands
- Adverse weather conditions, which particularly affect the Garden business area
- Changes in currency exchange rates that may affect Fiskars' competitiveness and the reported net sales of the Group, its operating results and balance sheet negatively
- Despite careful due diligence process, all acquisitions include risks
- Major decline in the profit of associated company Wärtsilä or its dividends
- Delay in the five-year process and IT program that was launched in 2010 or failure to reach the program's financial goals

Litigation

The court case related to Fiskars' subsidiary, Iittala Group Oy Ab in the Market Court was closed in January 2012.

Fiskars is involved in a number of legal actions, claims and other proceedings. The final outcomes of these matters cannot be estimated. Taking into account all available information to date, the outcomes are not expected to have a material impact on the financial position of the Group.

Outlook for 2013

Fiskars' operating environment remained uncertain throughout 2012, and recovery cannot be expected in the near future. Both consumer and trade behavior may be affected by the lengthened economic and financial uncertainty.

Fiskars will continue implementing its integrated company strategy and the investment program in EMEA. The company will also continue investing in new product development and marketing in order to improve its product offering and competitive position.

In January 2013, Fiskars added Royal Copenhagen to its Home business portfolio. The acquisition is expected to have a positive effect on the Group's operating profit, but the level of the effect is dependent on post-acquisition costs in 2013.

We expect the Group's full-year 2013 net sales and operating profit excluding non-recurring items to be above 2012 levels.

The associated company, Wärtsilä, will continue to have a major impact on Fiskars' profit and cash flow in 2013.

Helsinki, Finland, February 7, 2013

FISKARS CORPORATION
Board of Directors

CONSOLIDATED FINANCIAL STATEMENTS, IFRS

Consolidated income statement

EUR million	Note	2012		2011	
Net sales	2	747.8		742.5	
Cost of goods sold	6	-475.4		-483.3	
Gross profit		272.4	36%	259.2	35%
Other operating income	5	2.1		2.2	
Sales and marketing expenses	6	-128.9		-126.3	
Administration expenses	6	-73.5		-64.0	
Research and development costs	6	-8.1		-8.6	
Other operating expenses	6	-0.1		-9.7	
Operating profit		63.9	9%	52.8	7%
Change in fair value of biological assets	14	5.6		-1.0	
Share of profit from associate	16	47.8		42.7	
Gain on sale of associate shares	16	87.0		69.8	
Other financial income and expenses	8	-3.8		-2.4	
Profit before taxes		200.4	27%	161.8	22%
Income taxes	9	-21.5		-5.5	
Profit for the period		178.9	24%	156.3	21%
Attributable to:					
Equity holders of the parent company		178.9		156.3	
Earnings for equity holders of the parent company per share, euro (basic and diluted)	10	2.18		1.91	

Consolidated statement of comprehensive income

EUR million	Note	2012	2011
Profit for the period		178.9	156.3
Translation differences		-1.0	3.9
transferred to income statement			-0.5
Change in associate recognized directly in other comprehensive income	16	0.3	-2.0
transferred to income statement		-0.1	-0.4
Cash flow hedges		-0.8	-0.5
Defined benefit plan actuarial gains (losses) net of tax		-0.5	-0.3
Other comprehensive income for the period net of tax		-2.2	0.2
Total comprehensive income for the period		176.7	156.6
Attributable to:			
Equity holders of the parent company		176.7	156.6

The notes are an integral part of these consolidated financial statements.

Consolidated balance sheet

EUR million

Note **Dec 31, 2012**

Dec 31, 2011

Assets

NON-CURRENT ASSETS

Goodwill	11	88.6		88.6	
Other intangible assets	12	140.7		125.2	
Property, plant & equipment	13	90.0		94.4	
Biological assets	14	41.2		35.6	
Investment property	15	5.5		6.2	
Investments in associates	16	280.4		300.8	
Financial assets	17	10.5		10.1	
Deferred tax assets	9	25.8		27.0	
Non-current assets total		682.6	73%	688.0	73%

CURRENT ASSETS

Inventories	18	118.0		118.3	
Trade and other receivables	19	116.0		124.6	
Income tax receivables		1.9		2.7	
Interest bearing receivables		0.5		0.5	
Cash and cash equivalents	20	16.4		6.1	
Current assets total		252.8	27%	252.2	27%

Assets total		935.4	100%	940.2	100%
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Equity and liabilities

EQUITY

Equity attributable to the equity holders of the parent company		618.9		554.3	
Equity total	21	618.9	66%	554.3	59%

NON-CURRENT LIABILITIES

Interest bearing liabilities	22	69.3		75.4	
Other liabilities		4.1		4.1	
Deferred tax liabilities	9	44.3		45.0	
Pension liability	23	7.3		8.2	
Provisions	24	3.9		5.6	
Non-current liabilities total		129.0	14%	138.4	15%

CURRENT LIABILITIES

Interest bearing liabilities	22	20.4		82.5	
Trade and other payables	25	156.6		154.9	
Income tax liabilities		7.9		8.0	
Provisions	24	2.6		2.1	
Current liabilities total		187.5	20%	247.5	26%
Equity and liabilities total		935.4	100%	940.2	100%

The notes are an integral part of these consolidated financial statements.

Consolidated statement of cash flows

EUR million	2012	2011
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxes	200.4	161.8
Adjustments for		
Depreciation, amortization and impairment	21.9	21.5
Share of profit from associate	-47.8	-42.7
Gain on sale of associate shares	-87.0	-69.8
Investment income	-0.1	5.5
Financial items	3.8	2.3
Change in fair value of biological assets	-5.6	1.0
Change in provisions and other non-cash items	2.4	-3.0
Cash flow before changes in working capital	88.1	76.9
Changes in working capital		
Change in current assets, non-interest bearing	10.6	-7.1
Change in inventories	-5.0	10.0
Change in current liabilities, non-interest bearing	-0.5	9.9
Cash flow from operating activities before financial items and taxes	93.2	89.6
Dividends received from associate	26.8	40.9
Financial items paid (net)	-4.6	-5.9
Taxes paid	-20.3	-17.2
Cash flow from operating activities (A)	95.0	107.4

CASH FLOW FROM INVESTING ACTIVITIES		
Acquisitions and investments in financial assets	-0.2	-0.2
Capital expenditure on fixed assets	-32.7	-24.4
Proceeds from sale of fixed assets	0.9	0.6
Proceeds from sale of associate shares	126.4	109.7
Proceeds from sale of subsidiary shares		6.3
Cash flow from other investments	0.1	0.3
Cash flow from investing activities (B)	94.5	92.3
CASH FLOW FROM FINANCING ACTIVITIES		
Change in current receivables	0.1	-0.4
Borrowings of non-current debt	0.1	1.3
Repayment of non-current debt	-2.5	-0.1
Change in current debt	-61.2	-41.9
Payment of finance lease liabilities	-3.5	-2.5
Cash flow from other financing items	0.0	-0.2
Dividends paid	-112.2	-155.6
Cash flow from financing activities (C)	-179.2	-199.5
Change in cash and cash equivalents (A+B+C)	10.3	0.3
Cash and cash equivalents at beginning of period	6.1	5.8
Translation difference	-0.1	0.0
Cash and cash equivalents at end of period	16.4	6.1

The notes are an integral part of these consolidated financial statements.

Statement of changes in consolidated equity

EUR million	Equity attributable to shareholders of the Parent company				Total
	Share capital	Treasury shares	Cumulative transl.diff.	Retained earnings	
Dec 31, 2010	77.5	-0.8	-0.3	477.1	553.5
Translation differences			3.5		3.5
Change in associate recognized directly in other comprehensive income			-1.1	-1.3	-2.4
Cash flow hedges				-0.5	-0.5
Defined benefit plan, actuarial gains (losses), net of tax				-0.3	-0.3
Other comprehensive income for the period, net of tax, total			2.4	-2.1	0.2
Profit for the period				156.3	156.3
Total comprehensive income for the period			2.4	154.2	156.6
Acquisition of treasury shares		-0.1			-0.1
Dividends paid				-155.6	-155.6
Dec 31, 2011	77.5	-0.9	2.0	475.7	554.3
Translation differences			-1.0		-1.0
Change in associate recognized directly in other comprehensive income			-1.8	2.0	0.1
Cash flow hedges				-0.8	-0.8
Defined benefit plan, actuarial gains (losses), net of tax				-0.5	-0.5
Other comprehensive income for the period, net of tax, total			-2.8	0.6	-2.2
Profit for the period				178.9	178.9
Total comprehensive income for the period			-2.8	179.6	176.7
Dividends paid				-112.2	-112.2
Dec 31, 2012	77.5	-0.9	-0.8	543.0	618.9

The notes are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. Accounting principles for the consolidated financial statements, IFRS

Fiskars Corporation is a Finnish public limited liability company listed on NASDAQ OMX Helsinki and domiciled in Raasepori, Finland. The registered address of Fiskars Corporation is Hämeentie 135 A, Helsinki, Finland. Fiskars Corporation is the parent company of the Group. The Group manufactures and markets branded consumer products globally. Fiskars' operating segments are EMEA (Europe, Middle East, and Asia-Pacific), Americas, the associated company Wärtsilä and Other. The operations are divided to Business Areas Home, Garden and Outdoor. In addition the Group has Real Estate operations and a strategic shareholding in Wärtsilä Oyj Abp qualifying as an investment in an associate. The Group's international main brands are Fiskars, Iittala, and Gerber.

The financial statements are authorized for issue by the Board of Directors of Fiskars Corporation. According to the Finnish Limited Liability Companies' Act, the shareholders have a possibility to approve or reject or make a decision on altering the financial statements in the Annual General Meeting to be held after the publication of the financial statements.

Basis of preparation

The consolidated financial statements of Fiskars Corporation ("Fiskars" or "the Group") are prepared in accordance with International Financial Reporting Standards (IFRS) in force at December 31, 2012 as adopted by the European Union. International Financial Reporting Standards, referred to in the Finnish Accounting Act and in ordinances issued based on the provisions of this Act, are standards and their interpretations adopted in accordance with the procedure laid down in regulation (EC) No 1606/2002 of the European Parliament and of the Council. The notes to the consolidated financial statements also comply with the Finnish accounting and corporate legislation.

The consolidated financial statements are prepared on historical cost basis except for financial assets and financial liabilities which are presented at fair value through profit or loss, and biological assets as well as assets and liabilities related to defined benefit pension plans that are measured at fair value.

Items included in the financial statements of each of the Group's entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in euro, which is the parent company's functional currency. The presentation is in millions of euro with one decimal.

Use of estimates

The preparation of financial statements in conformity with IFRS requires the management to make judgments and assumptions that affect the recognition and measurement of financial statement items. These estimates and associated assumptions are based on historical experience and other justified assumptions that are believed to be reasonable under the circumstances at the end of the reporting period. These estimates form the basis for judgments of the items in the financial statements. Development of markets and general economic situation may affect the variables underlying the estimates and actual results may differ significantly from these estimates. Such estimates mainly relate to the assumptions made in impairment testing, amount of obsolete inventory, recognition of impairment losses on trade receivables, restructuring provisions, determination of defined benefit pension obligations, value appraisal of biological assets and the probability of deferred tax assets being recovered against future taxable profits.

Consolidated financial statements

The consolidated financial statements include the parent company, Fiskars Corporation, and all the subsidiaries in which it holds, directly or indirectly, over 50% of the voting rights or over which it otherwise has control. Acquired or established subsidiaries are included in the consolidated financial statements from the date control commences until the date that control ceases.

Subsidiaries are consolidated using the acquisition method. Intra-group transactions, profit distribution, receivables, liabilities and unrealized gains between Group companies are eliminated in consolidation. The profit or loss for the financial year attributable to the owners and non-controlling interest is presented in the income statement and the total comprehensive income for the financial year attributable to the owners and non-controlling interest is presented in the statement of comprehensive income. The non-controlling interest in equity is presented within equity, separately from the equity of the owners of the parent. In 2012 there was no non-controlling interest.

Investments in associates in which Fiskars has a significant influence but not control are accounted for using the equity method. Significant influence usually exists when the Group holds over 20% of the voting power of the entity or when the Group otherwise has significant influence but not control. Fiskars' most important associate is Wärtsilä Corporation.

Translation of foreign currency items

Transactions in foreign currencies

Foreign currency transactions are translated using the exchange rates prevailing at the dates of the transactions. At the end of the reporting period monetary assets and liabilities are translated using the exchange rate prevailing at the end of the reporting period. Exchange differences arising from translation are recognized in the income statement and presented under financial items, except for exchange differences relating to trade receivables and trade payables that are presented within operating profit. Non-monetary items denominated in foreign currencies are translated using the exchange rate at the date of the transaction, except for those items carried at fair value that are translated using at the rates prevailing at the date when the fair value was determined.

Translation of financial statements of foreign subsidiaries

In the consolidated financial statements income statements, statements of comprehensive income and cash flows of foreign subsidiaries are translated into parent company's currency at the average exchange rates for the period. Their balance sheet items are translated at exchange rates prevailing at the end of the reporting period. The resulting exchange differences are recognized in other comprehensive income and presented under translation differences in equity. Exchange differences resulting from the translation of profit or loss and comprehensive income at the average rate in the income statement and in the statement of comprehensive income, and the balance sheet at the closing rate, are recognized in other comprehensive income and they are included under translation differences in equity. The effective portions of the gains or losses on those financial instruments hedging net investments in foreign operations are recognized similarly. When the Group disposes of all, or part of, that subsidiary, the translation differences accumulated in equity are transferred to profit or loss as part of the gain or loss on disposal.

Net sales and revenue recognition principles

Net sales are shown net of indirect taxes, rebates, and exchange differences on trade receivables denominated in foreign currencies. Revenue from the sale of goods is recognized when all significant risks and rewards of ownership have been transferred to the buyer, i.e. when a product has been delivered to the client in accordance with the terms of delivery. There are no such long-term projects in the Group for which the revenue would be recognized using the percentage-of-completion (POC) method.

Pension obligations

Group companies have various pension plans in accordance with local conditions and practices in the countries in which they operate. The plans are classified as either defined contribution plans or defined benefit plans. Under a defined

contribution plan the Group pays fixed contributions into a separate entity. If the entity does not hold sufficient assets to pay all employees the benefits in question, the Group will have no legal or constructive obligation to pay further contributions. All other plans not meeting the above criteria are classified as defined benefit plans. Most of plans Group companies have are classified as defined contribution plans and related contributions are charged to the income statement in the year in which the payment obligation has arisen.

The costs for defined benefit pension plans are calculated and recognized under the terms of the plan based on actuarial calculations. Pension costs are recognized as expenses over the employees' service period. The pension obligation is measured as the present value of the estimated future contributions deducted by the fair value of plan assets at the end of the reporting period. Changes in the estimates in the actuarial calculations may influence the reported pension obligations and pension costs.

Fiskars applies the alternative accounting treatment under IAS 19 for the recognition of actuarial gains and losses that allows to record actuarial gains and losses in other comprehensive income.

Operating profit

IAS 1 Presentation of Financial Statements does not give a definition for operating profit. In Fiskars the operating profit (EBIT) is the net of revenues and other operating income, material purchases and change of inventories, production for own use, employee benefits, depreciations and possible impairments and other operating expenses. The operating profit includes operating results of Fiskars' operating segments EMEA, Americas, and Others. The share of profit or loss of the associate Wärtsilä and the change in fair value of biological assets are presented as separate line items below EBIT in the income statement.

Intangible assets

An intangible asset is initially capitalized in the balance sheet at cost if the cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to the asset will flow to the Group.

Goodwill

Goodwill represents the Group's share of difference between the cost of the acquisition and the fair value of the net identifiable assets, liabilities, and contingent liabilities acquired measured at the acquisition date. Goodwill is stated at historical cost less any accumulated impairment losses. Goodwill is not amortized but is tested for impairment at least annually. For this purpose goodwill has been allocated to cash-generating units or, in case of an associate, the goodwill is included within the carrying amount of the associate in question. The recoverable amount of the unit is compared annually or more often if there are indications of impairment, with its carrying amount to determine potential impairment.

Contingent consideration will be measured at fair value and subsequently re-measured through profit or loss. All acquisition-related costs, such as experts' fees, will be expensed instead of capitalization. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

Research and development costs

Research and development costs are expensed as they are incurred, except for those development costs that are capitalized if the Group can reliably demonstrate that they will generate probable future economic benefits for the Group and also other criteria in IAS 38 are met as the product is regarded technically and commercially feasible. Capitalized development costs consisting of mainly direct labor costs and external services are recognized as intangible assets.

Intangible assets not yet available for use are tested annually for impairment. Subsequent to initial recognition capitalized development costs are measured at cost less accumulated amortization and accumulated impairment losses. They are amortized on a straight-line basis over their useful lives, from 3 to 6 years.

Other intangible assets

Other intangible assets include among other patents, capitalized development costs, software, as well as trademarks and customer relationships acquired in business combinations. Intangible assets are stated at cost less accumulated amortization and any accumulated impairment. Intangible assets in this class are amortized on a straight-line basis over their known or expected useful lives as follows:

- Software, 3–10 years
- Customer relationships, 5–15 years
- Other, 3–10 years

Intangible assets with an indefinite useful life such as trademarks or brand names acquired in business combinations are not amortized but they are tested at least annually for impairment.

Property, plant and equipment

Property, plant, and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses, if applicable. Those borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of the assets. Residual values and expected useful lives are reassessed at least at each financial year-end and, if necessary, are adjusted to reflect changes in the expected future economic benefits. The estimated useful lives are as follows:

- Buildings, 20–40 years
- Machinery and equipment, 3–10 years
- Land and water, no depreciation

Gains and losses on sales and disposals of items of property, plant, and equipment are presented under other operating income and other operating expenses.

Leases

Leases in terms of which the Group substantially takes over from the lessor all the risks and rewards of ownership are classified as finance leases. Assets leased under finance leases are recognized under property, plant, and equipment at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments at the commencement of the lease term. The associated obligations are recognized in interest-bearing financial liabilities. The lease payments are divided into finance cost and amortization of the lease liability.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are accounted for as operating leases. Lease payments made under an operating lease are recognized as an expense on a straight-line basis over the lease term.

Investment property

The properties that are not used in the Group's operations or which are held to earn rental revenue or increase in value are classified as investment property. These properties are measured at cost less accumulated depreciation and impairment. Investment property is depreciated over 20–40 years.

Impairment of property, plant and equipment and intangible assets

The Group operations have been divided into cash-generating units (CGU) that are smaller than operating segments. The carrying amounts of the assets relating to these CGUs are reviewed for impairment indicators annually at the end of the reporting period. The recoverable amounts of the following assets are also estimated annually irrespective whether there is any indication for impairment: goodwill, intangible assets with indefinite useful lives and unfinished intangible assets.

To determine a potential impairment the carrying amount of the asset is compared or the carrying amounts of the CGU's net assets are compared against the recoverable amount of that asset or CGU. The recoverable amount is the higher of the present value of the future cash flows (value in use) and the fair value less costs to sell. An impairment loss is recognized for an asset when its carrying amount exceeds its recoverable amount. An impairment loss previously recognized for items of property, plant, and equipment as well as for intangible assets other than goodwill is reversed subsequently, if there has been a big enough positive change in the estimates used to determine the asset's recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of amortization or depreciation, if no impairment loss had been recognized for the asset in prior years. An impairment loss recognized for goodwill is not reversed.

Biological assets

Biological assets consist of standing timber in Group's forests in Finland. These assets are measured at fair value less estimated point-of-sale costs. The change in fair value resulting from both net growth and change in the market value of standing timber is presented as a separate line item in the income statement after operating profit (EBIT). The revenue from the sale of standing timber is presented in the income statement within the operating profit.

For valuing biological assets Fiskars applies a three year rolling average price of standing timber, based on the statistics provided by the Finnish Forest Research Institute, and multiplied by the estimated volume of standing timber, taking into account the costs and risks relating to sales.

Non-current assets held for sale and discontinued operations

A non-current asset (or a disposal group) as well as assets and liabilities associated with a discontinued operation are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. The recognition criteria are regarded to be met when: a sale is highly probable, the asset (or a disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary, the management is committed to the plan to sell the asset and the sale is expected to take place within one year from the date of classification.

As from classification date a non-current asset (or a disposal group) held for sale is measured at the lower of its carrying amount and fair value less costs to sell, and it is not depreciated or amortized any more. Assets classified as held for sale, disposal groups, items recognized in other comprehensive income associated with the assets classified as held for sale as well as liabilities included in the disposal group are presented separately in the balance sheet.

A discontinued operation is a component of the Group's business that has been disposed of or will be disposed of in accordance with a coordinated plan. It represents a separate major line of business or geographical area of operations. The profit or loss of a discontinued operation is reported separately from the continuing operations in the consolidated statement of comprehensive income.

Fiskars had no non-current assets held for sale or discontinued operations neither in the financial year 2012 nor 2011.

Inventories

Inventories are carried at the lower of cost and net realizable value. Cost is determined using the first-in first-out (FIFO) method. The cost of finished goods and work-in-progress comprise direct purchase and manufacturing cost, other direct costs and a proportion of the related production overheads based on normal operating capacity. Net realizable value is the estimated amount that can be realized from the sale in normal course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Inventories are presented net of an impairment loss recognized for obsolete and slow-moving inventories.

Financial instruments

Financial assets

Fiskars classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables and available-for-sale financial assets. Financial assets are classified at initial recognition based on their purpose of use. For investments not at fair value through profit or loss, the directly attributable transaction costs are included in the original costs of the financial assets. All purchases or sales of financial assets are recognized or derecognized using trade date accounting. The Group derecognizes financial assets when it has lost its right to receive the cash flows or when it has transferred substantially all the risks and rewards to an external party.

Financial assets at fair value through profit or loss

In this category are classified such financial assets that are held for trading or are designated as financial assets at fair value through profit or loss upon initial recognition (the fair value option). In Fiskars this category comprises the investments in listed securities and those derivative instruments that do not meet the hedge accounting criteria or for which hedge accounting is not applied.

These financial assets are measured at fair value both at initial recognition and subsequently. The fair values of the listed securities are based on quoted rates at the end of the reporting period. Fair value changes, both realized and unrealized gains and losses are recognized in the income statement under financial items. The fair value measurement principles of the derivative instruments that do not meet the hedge accounting criteria are described below under Derivatives and hedge accounting.

Loans and other receivables

Loans and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The Group does not hold them for trading or designate them as available for sale upon initial recognition. This category comprises trade receivables and other receivables under current receivables as well as non-current loan receivables that are presented under the item Other investments in the consolidated balance sheet.

Loans and other receivables are measured at amortized cost. The estimate made for doubtful receivables is based on the risks of individual items. Resulting from this assessment the carrying amounts of receivables are adjusted to measure their probable value. Loans and receivables are included in current or non-current assets based on their nature; in the latter class for maturities greater than 12 months after the end of the reporting period.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available-for-sale and that are not classified in any of the categories. In Fiskars this category comprises the investments in unlisted securities. If their fair values cannot be determined reliably, they are measured at cost. Available-for-sale financial assets are included in non-current assets unless the Group intends to dispose of them within 12 months of the end of the reporting period in which case they are included in current assets.

Cash and cash equivalents

The balance sheet item Cash and cash equivalents includes cash, i.e. cash in hand and deposits held at call with banks, and cash equivalents. Cash equivalents comprise highly liquid investments that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. The items included in cash equivalents have original maturities of maximum three months from the date of acquisition. Bank overdrafts are included within current interest-bearing financial liabilities.

Financial liabilities

Fiskars classifies its financial liabilities in the following categories: financial liabilities at fair value through profit or loss (includes derivative liabilities) and financial liabilities measured at amortized cost. A financial liability is recognized initially at

fair value. For financial liabilities measured at amortized cost, the directly attributable transaction costs are included in the original cost. Subsequently financial liabilities are carried at amortized cost using the effective interest method, except for derivative liabilities that are measured at fair value. Financial liabilities are classified as non-current or current; the latter group comprises all those financial liabilities for which the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. The Group removes a financial liability (or a part of it) from its balance sheet only when it is extinguished, i.e. when the obligation specified in the contract is discharged or cancelled or expires.

Derivatives and hedge accounting

Derivative financial instruments are classified as financial instruments at fair value through profit and loss. Derivatives are recognized initially at cost and subsequently at fair value determined at the end of each reporting period. The fair value of derivatives is based on prevailing market rates or rates derived from the prevailing market rates at the end of the reporting period. Realized gains and losses as well as fair value changes are recognized as adjustments to sales and purchases or in financial items in depending on the nature of the hedged item.

Fiskars has applied hedge accounting to changes in the fair value of derivatives designated, qualifying, and effective as cash flow hedges. The changes are recognized in Other comprehensive income.

Fair value categories

Hierarchy level 1 includes financial assets that are publicly quoted in an active market. This category includes listed shares. Level 2 includes financial assets and liabilities measured using directly observable market inputs. All interest bearing debts and derivatives fall within this category. Level 3 includes financial assets and liabilities measured using non-market observable inputs. The asset classes in this category are unlisted equity investments and funds.

Provisions and contingent liabilities

A provision is recognized when the Group as a result of a past event has a present legal or constructive obligation, it is probable that the obligation will be realized and a reliable estimate can be made of the amount of the obligation. A provision for restructuring is recognized when a detailed formal plan has been prepared and when there is a valid expectation relating those affected that the plan will be carried out. The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. If it is possible to receive compensation for part of the obligation from a third party, the compensation is recognized as a separate asset, but only when receipt of the compensation is virtually certain.

The Group is party to lawsuits and legal processes concerning Group's business operations. A related provision is recognized in the financial statements when the amount of the expenditure can be estimated reliably and it is more likely than not that they will be realized. Otherwise these contingent liabilities are disclosed in the notes.

Income taxes

The Group's tax expense comprises current tax based on Group companies' taxable profit for the period and the change of deferred taxes. The current tax charge is calculated using the tax rate enacted or substantively enacted at the end of the reporting period. Deferred tax liabilities or deferred tax assets are provided for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes using tax rates enacted or substantively enacted at the end of the reporting period. Temporary differences arise, inter alia, from tax loss carry-forwards, depreciation differences, provisions, defined benefit pension plans, fair value measurement of derivative financial instruments, biological assets, and eliminated intra-group inventory margins as well as from the fair value adjustments made to assets and liabilities in business combinations. A deferred tax liability is recognized on the undistributed profits of subsidiaries and associates if the distribution of profit is probable and it will result in tax consequences. A deferred tax liability is recorded to its full amount and a deferred tax asset is recognized at the amount of the estimated probable tax benefit. Income tax is recognized in profit or loss, unless it relates to items recognized in other comprehensive income. In such case any related tax effects are also recognized similarly.

Dividends

Dividends proposed by the Board of Directors are not recorded in the financial statements until they have been approved by the shareholders at the Annual General Meeting.

New and amended standards applied in the financial year ended

As from January 1, 2012 the Group has applied the following amended standard that has come into effect:

- Amendments to IFRS 7 Financial Instruments: Disclosures (effective for financial years beginning on or after July 1, 2011). The amendments had no impact on the notes to the consolidated financial statements.

Adoption of new and amended standards and interpretations applicable in future financial periods

Fiskars has not yet adopted the following new and amended standards and interpretations already issued by the IASB. The Group will adopt them as of the effective date or, if the date is other than the first day of the financial year, from the beginning of the subsequent financial year.

- Amendments to IAS 1 Presentation of Financial Statements (effective for financial years beginning on or after July 1, 2012). The amendments only have an impact on the presentation of Group's other comprehensive income.
- Amendment to IAS 19 Employee Benefits (effective for financial years beginning on or after January 1, 2013). The amendment has no material impact on the consolidated financial statements.
- IFRS 13 Fair Value Measurement (effective for financial years beginning on or after January 1, 2013). The new standard is not assessed to have a material impact on the consolidated financial statements.
- Annual Improvements to IFRSs 2009–2011* (May 2012) (effective for financial years beginning on or after January 1, 2013). The amendments cover in total five standards. Their impacts vary standard by standard but are not significant.
- Amendments to IFRS 7 Financial Instruments: Disclosures (effective for financial years beginning on or after January 1, 2013). The amendments are not assessed to have a significant impact on the consolidated financial statements.
- IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine (effective for financial years beginning on or after January 1, 2013). The interpretation has no impact on the consolidated financial statements.
- IFRS 10 Consolidated Financial Statements and subsequent amendments (in the EU effective for financial years beginning on or after January 1, 2014). The new standard is not assessed to have a material impact on the consolidated financial statements.
- IFRS 11 Joint Arrangements and subsequent amendments (in the EU effective for financial years beginning on or after January 1, 2014). The new standard is not assessed to have a material impact on the consolidated financial statements.
- IFRS 12 Disclosures of Interests in Other Entities and subsequent amendments (in the EU effective for financial years beginning on or after January 1, 2014). The new standard is not assessed to have a material impact on the consolidated financial statements.
- IAS 27 Separate Financial Statements (revised 2011) and subsequent amendments (in the EU effective for financial years beginning on or after January 1, 2014). The revised standard will not have an impact on the consolidated financial statements.
- IAS 28 Investments in Associates and Joint Ventures (revised 2011) and subsequent amendments (in the EU effective for financial years beginning on or after January 1, 2014). The revised standard is not assessed to have a significant impact on the consolidated financial statements.
- Amendments to IAS 32 Financial Instruments: Presentation (effective for financial years beginning on or after January 1, 2014). The amendments are not assessed to have a significant impact on the consolidated financial statements.
- IFRS 9 Financial Instruments* and subsequent amendments (effective for financial years beginning on or after January 1, 2015). As the IFRS 9 project is incomplete, the impacts of the standard on the consolidated financial statements cannot yet be assessed.

* Not yet endorsed for use by the European Union.

2. Segment information

Fiskars' operating segments are EMEA (Europe, Middle East, and Asia-Pacific), Americas, the associated company Wärtsilä and Other. The operating segments are identified on the basis of management reporting, which is organized by geographical areas. The operations are further divided to business areas.

Operating segments

EMEA: The revenues comprise of sales of Home, Garden and Outdoor products to retailers in Europe, Middle-East and Asia-Pacific. In addition, homeware products are sold directly to consumers via own stores and outlets.

Americas: The revenues comprise of sales of Home, Garden and Outdoor products to retailers in USA, Canada and Latin America.

Other: The revenues consist mainly of rental income from Real Estate and timber sales in Finland. Other covers Real Estate and corporate headquarter functions.

Associate Wärtsilä: Income from the associate is reported as one operating segment.

Business activities between the segments are not significant. Inter-segment sales are made on arms length basis. Real Estate owns real estates in Finland and leases them to subsidiaries in Finland e.g. for use as production facilities.

Management monitors the operating results of the segments separately for the purpose of making decisions. Segment assets and liabilities are based on geographical location of the assets. Financial income and costs and income taxes are managed on group basis and accordingly not allocated to operating segments.

In the Americas the Fiskars branded products' distribution, logistics and consumer preferences are managed centrally for the business areas. In the EMEA area the markets and distribution are more diversified, but from the customer point of view the business areas operate in a common environment.

Business areas

Business areas are Home, Garden and Outdoor. Net sales for the business areas are reported based on the nature of the sales of the products sold to customers. Sales between the business areas are insignificant.

Unallocated items

The unallocated items of the Income Statement contain corporate level costs and income. Unallocated assets comprise items related to corporate administration, tax receivables, loan receivables and equity instruments. Unallocated liabilities comprise non-current and current debt and tax liabilities. Also part of the restructuring costs are unallocated.

No single customer of Fiskars accounts for more than 10% share of the Group's total net sales.

Operating segments

2012

EUR million	EMEA	Americas	Other	Associate Wärtsilä	Unallocated and eliminations	Group total
Net sales, external	495.0	248.7	4.1			747.8
Net sales, inter-segment	6.9	1.7	2.2		-10.8	0.0
Net sales	501.9	250.4	6.3		-10.8	747.8
Operating profit excl. non-recurring items	41.8	34.2	-12.9			63.1
Non-recurring items*	0.8					0.8
Operating profit	42.6	34.2	-12.9			63.9
Change in fair value of biological assets			5.6			5.6
Share of profit from associate				47.8		47.8
Gain on sale of Wärtsilä shares					87.0	87.0
Financial income and expenses					-3.8	-3.8
Profit before taxes						200.4
Income taxes					-21.5	-21.5
Profit for the period						178.9
Assets	494.0	110.9	577.7	280.4	-527.6	935.4
Liabilities	286.0	70.0	191.1		-230.6	316.5
Capital expenditure	8.4	4.4	20.0			32.8
Depreciations, amortizations and impairment	14.3	4.8	2.7			21.9

* Includes a non-recurring income of EUR 0.8 million from the release of a provision related to the sale of Silva.

2011

EUR million	EMEA	Americas	Other	Associate Wärtsilä	Unallocated and eliminations	Group total
Net sales, external	509.8	228.7	4.1			742.5
Net sales, inter-segment	7.0	3.8	2.1		-12.9	0.0
Net sales	516.8	232.5	6.2		-12.9	742.5
Operating profit excl. non-recurring items	42.0	31.6	-11.4			62.1
Non-recurring items*	-8.3	-1.1				-9.3
Operating profit	33.7	30.5	-11.4			52.8
Change in fair value of biological assets			-1.0			-1.0
Share of profit from associate				42.7		42.7
Gain on sale of Wärtsilä shares					69.8	69.8
Financial income and expenses					-2.4	-2.4
Profit before taxes						161.8
Income taxes					-5.5	-5.5
Profit for the period						156.3
Assets	512.5	216.3	306.3	300.8	-395.6	940.2
Liabilities	332.5	74.5	366.1		-387.2	385.9
Capital expenditure	13.4	3.9	7.5			24.7
Depreciations, amortizations and impairment	15.1	4.5	1.9			21.5

* Includes a non-recurring loss of EUR 5.3 million related to sale of Silva, EUR 3.0 million non-recurring expense for the competition infringement fine and EUR 1.1 million non-recurring loss related to product recalls.

Net sales by business areas

EUR million	2012	2011
Home	322.8	306.3
Garden	287.6	294.3
Outdoor	133.3	137.8
Other	4.1	4.1
Total	747.8	742.5

Information about geographical areas

EUR million	2012	2011
Net sales from Finland	168.7	174.0
Net sales from the USA	221.5	205.0
Net sales from other countries	357.6	363.6
Total	747.8	742.5

EUR million	2012	2011
Assets in Finland*, **	442.2	466.1
Assets in other countries*	214.6	194.9
Total	656.9	660.9

* Non-current assets other than deferred tax assets.

** Assets in Finland include also the associated company Wärtsilä.

3. Non-recurring items

Exceptional transactions outside ordinary course of business such as gains and losses on disposal of business operations, impairments, costs of discontinuing significant business operations, restructuring provisions, major product recalls and fines and penalties are treated as non-recurring items. Gains have been presented in other operating income and losses in other operating expenses. Impairments have been presented in the income statement in depreciation, amortization and impairment of the relevant function or in line impairment when the impairment concerns goodwill.

A non-recurring income of EUR 0.8 million was reported in 2012 due to the release of a provision related to the sale of Silva in 2011.

The non-recurring costs of EUR 9.3 million reported in 2011 consisted of divestment of Silva amounting to EUR 5.3 million, competition infringement fine of EUR 3.0 million and a loss of EUR 1.1 million related to product recalls.

4. Acquisitions and divestments

2012

Sale of part of Wärtsilä shares

On April 24, 2012, Fiskars Group agreed with Investor AB to join interests to create a strong long-term owner for Wärtsilä. The legal merging of Fiskars Group's and Investor AB's interests will take place in due course, but the parties will act in concert concerning the Wärtsilä ownership as of the said date.

As part of the agreement, Fiskars' subsidiary Avlis AB sold 2.08% of the shares in Wärtsilä to Investor at a price of EUR 30.90 per Wärtsilä share, totaling approximately EUR 126.8 million. Fiskars holding in Wärtsilä now amounts to 13.0% of the shares and votes (15.1). At the end of December 2012, Fiskars Group and Investor AB together owned 42,948,325 shares or 21.8% of Wärtsilä's share capital and votes. Wärtsilä will continue to form one of Fiskars' reported operating segments and to be treated as an associated company, as Fiskars considers that it continues to have a significant influence in Wärtsilä.

In 2012 there were no acquisitions. On December 12, 2012 Fiskars signed a definitive agreement to acquire 100% of the shares in Royal Copenhagen A/S and Royal Scandinavian Modern KK Japan. The transaction was completed on January 4, 2013 and is presented in these consolidated financial statements as a post balance sheet event in note 28.

2011

Sale of part of Wärtsilä shares

Fiskars wholly-owned subsidiary Avlis AB sold 1,974,320 Wärtsilä shares, corresponding to 11.7% of its Wärtsilä holding, worth EUR 110.6 million, mainly to international institutional investors during the first quarter of 2011. The price per share was EUR 56.00 (28.00 split-adjusted). Fiskars Group recorded a profit of approximately EUR 69.8 million from the sale.

Divestment of Silva Sweden AB shares

Fiskars' wholly owned subsidiary, Avlis AB, sold the shares of its subsidiary, Silva Sweden AB, to the investment company Karnell in July 2011. Silva was a part of Fiskars' Outdoor business area. The net sales of the Silva business amounted to EUR 15 million in 2010 and the company employed some 220 people.

The disposed cash assets were EUR 0.1 million, intangible and tangible asset EUR 4.5 million and net working capital EUR 6.0 million.

As a result of the sale of Silva, Fiskars recorded a non-recurring operating loss of EUR 5.3 million in its third-quarter results. The sale had a positive impact on cash flow from investment activities of EUR 6.3 million.

In 2011 there were no acquisitions.

5. Other operating income

EUR million	2012	2011
Net gain on disposal of fixed assets	0.2	0.3
Rental income	0.6	0.5
Release of provision relating to the sale of Silva	0.8	
Other income	0.5	1.4
Total	2.1	2.2

6. Total expenses

Total expenses by nature

EUR million	2012	2011
Materials and supplies	368.7	364.3
Change in inventory	0.9	14.4
Employee benefits	173.3	171.7
Depreciation, amortization and impairment	21.9	21.5
External services	55.6	61.7
Other costs	65.6	58.3
Total	686.0	691.9

Other operating expenses

EUR million	2012	2011
Loss on sale of fixed assets	0.0	0.2
Loss on sale of subsidiary shares		5.3
Loss on scrap of fixed assets	0.1	0.4
Competition infringement fine		3.0
Other costs	0.0	0.9
Total	0.1	9.7

Depreciation, amortization and impairment by asset class

EUR million	2012	2011
Buildings	3.9	1.5
Machinery and equipment	12.9	13.9
Intangible assets	4.7	4.6
Investment property	0.4	1.4
Total	21.9	21.5

Fees paid to Companies' Auditors

EUR million	2012	2011
Audit fees	0.7	0.7
Audit related fees	0.1	0.0
Tax consultation	0.3	0.3
Other non-audit fees	0.4	0.1
Total	1.5	1.1

The appointed auditor for the financial years 2011 and 2012 was KPMG.

7. Employee benefits and number of personnel

Employee benefits

EUR million	2012	2011
Wages and salaries	138.3	135.8
Other compulsory personnel costs	18.2	18.7
Pension costs, defined contribution plans	16.2	15.3
Pension costs, defined benefit plans	-0.8	0.3
Other post employment benefits	0.9	0.9
Termination benefits	0.5	0.6
Total	173.3	171.7

Personnel at the end of period

	2012	2011
Finland	1,610	1,670
Other Europe	1,123	1,174
USA	533	555
Other	183	175
Total	3,449	3,574

Personnel (FTE) in average

	2012	2011
Direct	1,233	1,507
Indirect	2,131	2,038
Total	3,364	3,545

Fiskars has adopted the following definitions for employee reporting: Personnel, end of period = active employees in payroll at the end of period. Personnel (FTE), average = full-time equivalent number of employees according to worked volume during the period.

8. Financial income and expenses

EUR million	2012	2011
Gain on sale of Wärtsilä shares	87.0	69.8
Dividends received from investments at fair value through profit and loss	0.0	0.0
Interest income on cash and bank	0.3	
Fair value of other shares at fair value through profit and loss	0.8	2.1
Exchange gains on commercial hedges		2.9
Exchange gains, other	0.1	0.1
Financial income total	88.2	74.9
Interest expenses on debt at amortized cost	-3.4	-4.6
Interest cost on financial leasing at amortized cost	-0.6	-0.7
Derivative revaluation losses, at fair value through profit and loss	-0.1	-1.0
Exchange losses on commercial hedges	-0.2	
Other financial expenses	-0.7	-1.2
Financial expense total	-5.0	-7.5
Financial income and expenses total	83.2	67.4

9. Income taxes

Income taxes in the income statement

EUR million	2012	2011
Current year income taxes	-20.7	-17.8
Prior year income taxes	-0.1	0.2
Change in deferred taxes	-0.7	12.1
Income taxes total	-21.5	-5.5

Reconciliation of income taxes

EUR million	2012	2011
Tax rate for the parent company	24.5%	26.0%
Profit before taxes	196.7	161.8
Income tax using the domestic corporation tax rate	-48.2	-42.1
Effect of tax rates in foreign jurisdictions	-4.0	-2.3
Income tax for prior years	-0.1	0.2
Impact of associate	10.8	11.1
Effect of sales of Wärtsilä shares	22.9	18.2
Other tax exempt items	1.0	1.6
Effect of disposals		1.0
Non-deductible expenses	-0.9	-2.0
Effect of change of tax rates	0.0	2.0
Tax booked against unbooked tax assets and unrecognized tax on loss	-3.5	-2.9
Change in valuation of tax assets	0.5	9.7
Other items	0.0	-0.1
Income taxes recognized in profit and loss	-21.5	-5.5

Taxes in other comprehensive income

2012

EUR million	Total	Tax	Net
Translation differences	-1.0		-1.0
Change in associate recognized directly in other comprehensive income	0.1		0.1
Cash flow hedges	-1.1	0.3	-0.8
Defined benefit plan actuarial gains (losses)	-0.8	0.3	-0.5
Other comprehensive income for the period, total	-2.8	0.6	-2.2

2011

EUR million	Total	Tax	Net
Translation differences	3.5		3.5
Change in associate recognized directly in other comprehensive income	-2.4		-2.4
Cash flow hedges	-0.7	0.2	-0.5
Defined benefit plan actuarial gains (losses)	-0.5	0.2	-0.3
Other comprehensive income for the period, total	-0.1	0.4	0.2

Deferred income taxes in the balance sheet 2012

		Recognized in income statement	Recognized in other comprehensive income	Transfers and translation difference	Dec 31, 2012
EUR million	Jan 1, 2012				
Deferred tax assets					
Post-employment benefit	2.6	0.0	0.2	0.0	2.7
Provisions	10.0	0.2		0.0	10.1
Effects on consolidation and eliminations	1.3	-0.6		-0.2	0.5
Property, plant & equipment	0.7	-0.1		0.0	0.6
Tax losses and tax credits carried forward	15.7	-1.1		-0.1	14.6
Valuation allowance of deferred tax assets	-8.6	1.7		0.9	-6.0
Other temporary differences	6.1	0.8	0.2	-1.0	6.1
Total deferred tax assets	27.8	0.8	0.4	-0.4	28.6
Offset against deferred tax liabilities	-0.8	-2.1	0.0	0.0	-2.9
Net deferred tax assets	27.0	-1.3	0.4	-0.4	25.8

		Recognized in income statement	Recognized in other comprehensive income	Transfers and translation difference	Dec 31, 2012
EUR million	Jan 1, 2012				
Deferred tax liabilities					
Property, plant & equipment	4.5	-0.6		-0.4	3.6
Fair value adjustments	11.5	1.5			13.0
Effects on consolidation and eliminations*	26.4	-0.3			26.0
Other temporary differences	3.5	0.9	-0.2	0.4	4.6
Total deferred tax liabilities	45.8	1.6	-0.2	0.0	47.1
Offset against deferred tax assets	-0.8	-2.1	0.0	0.0	-2.9
Net deferred tax liabilities	45.0	-0.5	-0.2	0.0	44.3

Deferred tax assets (+) / liabilities (-), net	-18.0	-18.5
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* Consist mainly of adjustments to fair value in acquisitions.

2011

Deferred tax assets

		Recognized in income statement	Recognized in other comprehensive income	Transfers and translation difference	Dec 31, 2011
EUR million	Jan 1, 2011				
Post-employment benefit	1.3	1.1	0.1	0.0	2.6
Provisions	8.5	1.2		0.2	10.0
Effects on consolidation and eliminations	1.3	-0.1		0.0	1.3
Property, plant & equipment	0.9	-0.2		0.0	0.7
Tax losses and tax credits carried forward	19.2	-2.9		-0.6	15.7
Valuation allowance of deferred tax assets	-20.2	11.8		-0.2	-8.6
Other temporary differences	4.7	1.1	0.2	0.1	6.1
Total deferred tax assets	15.9	12.0	0.3	-0.4	27.8
Offset against deferred tax liabilities	-0.7	0.0	0.0	-0.1	-0.8
Net deferred tax assets	15.2	12.0	0.3	-0.5	27.0

Deferred tax liabilities

		Recognized in income statement	Recognized in other comprehensive income	Transfers and translation difference	Dec 31, 2011
EUR million	Jan 1, 2011				
Property, plant & equipment	4.3	0.1		0.0	4.5
Fair value adjustments	11.2	0.3			11.5
Effects on consolidation and eliminations*	30.0	-3.0		-0.6	26.4
Other temporary differences	0.9	2.5	-0.1	0.1	3.5
Total deferred tax liabilities	46.4	-0.1	-0.1	-0.4	45.8
Offset against deferred tax assets	-0.7	0.0	0.0	-0.1	-0.8
Net deferred tax liabilities	45.8	-0.1	-0.1	-0.6	45.0

Deferred tax assets (+) / liabilities (-), net -30.6 -18.0

* Consist mainly of adjustments to fair value in acquisitions.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred taxes relate to the same fiscal authority. The Group has full control of dividend distribution in subsidiaries and therefore no deferred tax liability has been recorded. Associate Wärtsilä is a public company and its distribution of profit is tax exempt for Fiskars. Taxes relating to cash flow hedges and actuarial gains and losses have been recorded into other comprehensive income. The deferred tax on tax losses carried forward amounted to EUR 14.6 million (15.7) at the end of financial year. Deferred tax allowance is recorded to offset deferred tax assets in order to recognize the deferred tax assets only to the extent that it is probable that future taxable profits will be available. The tax losses carried forward, net of allowance will not expire in the following five years. Income taxes recorded in the income statement and in other comprehensive income are specified earlier in this note 9.

10. Earnings per share

The basic earnings per share is the annual net profit attributable to ordinary shareholders of the parent company divided by the weighted average number of shares outstanding during the year. Fiskars Corporation does not have any current share option programs or other diluting financial instruments, so the diluted earnings per share is the same as basic.

	2012	2011
Net profit attributable to the ordinary shareholders of the Parent company, EUR million	178.9	156.3
Number of shares	82,023,341	82,023,341
Weighted average number of shares outstanding	81,905,242	81,908,714
Earnings per share, EUR (basic)	2.18	1.91
Earnings per share, EUR (diluted)	2.18	1.91

11. Goodwill

EUR million	2012	2011
Historical cost, Jan 1	110.1	119.8
Translation differences	-0.8	1.5
Decreases		-11.3
Historical cost, Dec 31	109.3	110.1
Accumulated impairment, Jan 1	21.4	31.2
Translation differences	-0.8	1.5
Decrease		-11.3
Accumulated impairment, Dec 31	20.7	21.4
Net book value, Dec 31	88.6	88.6

Goodwill is not amortized but is tested at least annually for impairment.

Goodwill impairment test in cash-generating units

Goodwill allocated to cash-generating units:

EUR million	2012	2011
Home	73.8	73.8
Garden	14.8	14.8
Total	88.6	88.6

Goodwill from acquisitions is allocated to Cash Generating Units (CGU). The business areas, which form the CGUs, are Home and Garden. The recoverable amounts from CGUs are determined with value in use method, using five-year discounted cash flow projections, based on strategic plans approved by management. Cash flows for the period extending over the planning period are calculated using the terminal value method. The discount rate is the weighted average post-tax cost of capital (WACC) as defined by Fiskars. The components of the WACC are risk-free rate, market risk premium, company-specific risk premium, industry specific equity beta, cost of debt and debt to equity ratio. On the basis of the impairment calculations made, there has been no need for impairment of goodwill for any CGU for the period ended 31 December 2012.

Key parameters applied in impairment testing

%	2012	2011
Increase in net sales on average	1.8	1.8
Steady growth rate in projecting terminal value	2.5	2.5
Discount rate, pre-tax	8.2	6.9

The increases in net sales, used in impairment testings, are on average more moderate than strategic plans for the planning period. The EBIT used in impairment testing is the CGU's actual three previous years average EBIT-% of sales. This is consistently used for all periods in the five year discounted cash flow projections.

Sensitivity analysis

Sensitivity analyses have been carried out for the valuation of each CGU by making downside scenarios for key parameters. The management views that no reasonably possible change in any of the key parameters would lead to impairment as the recoverable amounts exceed the carrying amounts considerably.

12. Other intangible assets

EUR million	2012	2011
Historical cost, Jan 1	184.2	180.3
Translation differences	-0.1	0.6
Silva divestment		-3.4
Additions	19.9	5.0
Decreases	-0.6	-0.5
Transfers between asset groups	0.8	2.2
Historical cost, Dec 31	204.2	184.2
Accumulated amortization, Jan 1	59.0	55.0
Translation differences	0.0	0.8
Amortization for the period	4.7	4.6
Decreases	-0.4	-0.5
Transfers between asset groups	0.3	-0.9
Accumulated amortization, Dec 31	63.5	59.0
Net book value, Dec 31	140.7	125.2
Trademarks included in intangible assets	102.2	102.2

Since the benefits from trademarks are indefinite, they are not amortized but are tested at least annually for impairment using a relief from royalty method. Cash flows attributable to trademarks are derived by indentifying revenues from sales of products belonging to each trademark. The carrying amounts of trademarks are determined on a discounted cash flow method basis, derived from five-year cash flow projections, based on strategic plans approved by the management. Cash flows for the period extending over the planning period are calculated using the terminal value method. On the basis of the impairment calculations made, there has been no need for impairment of trademarks for the periods ended December 31, 2011 and 2012.

Key parameters applied in impairment testing

%	2012	2011
Increase in net sales on average	1.8	1.9
Steady growth rate in projecting terminal value	3.0	3.0
Discount rate, pre-tax, average*	9.5	7.9

* Used one percentage point higher risk premium than in goodwill testing.

Sensitivity analysis

Sensitivity analyses have been carried out for the valuation of each trademark by making downside scenarios for key parameters. The management views that, excluding trademark Gingher, no reasonably possible change in any of the key parameters would lead to impairment. The recoverable amount of trademark Gingher currently exceeds its carrying amount of EUR 3.4 million by EUR 0.6 million, and an increase of 1.1 percentage point in pre-tax discount rate would result in the recoverable amount being equal to the carrying amount.

EUR million	2012	2011
Investment commitments for intangible assets	3.3	1.2

13. Property, plant and equipment

2012

EUR million	Land and water	Buildings	Leased real estate	Machinery and equipment	Construction in progress	Total
Historical cost, Jan 1	16.5	52.5	14.6	167.2	4.3	255.0
Translation differences	0.0	0.4	-0.3	0.2	0.0	0.3
Acquisitions and divestments						0.0
Additions	0.0	1.0		3.3	8.6	12.9
Decreases	0.0	-0.1		-10.1		-10.2
Transfers between asset groups	0.0	2.2		4.2	-8.0	-1.6
Historical cost, Dec 31	16.4	56.0	14.3	164.8	4.9	256.4
Accumulated depreciation, Jan 1		27.4	12.2	121.0		160.6
Translation differences		0.0	-0.2	0.2		0.0
Depreciation and impairment for the period		2.7	1.2	12.7		16.6
Acquisitions and divestments						0.0
Decreases		0.0	0.0	-9.9		-9.9
Transfers between asset groups		0.1		-0.9		-0.8
Accumulated depreciation, Dec 31	0.0	30.2	13.2	123.0	0.0	166.4
Net book value, Dec 31	16.4	25.8	1.1	41.8	4.9	90.0

Investment commitments for tangible assets

7.6

2011

EUR million	Land and water	Buildings	Leased real estate	Machinery and equipment	Construction in progress	Total
Historical cost, Jan 1	16.5	52.2	14.1	160.7	7.3	250.8
Translation differences	0.0	-0.3	0.5	-0.9	-0.1	-0.8
Acquisitions and divestments	-0.1	-0.1		-1.1	-0.1	-1.5
Additions	0.1	0.3		6.8	12.5	19.7
Decreases	0.0	-0.4		-9.5		-9.9
Transfers between asset groups		0.8		11.1	-15.3	-3.4
Historical cost, Dec 31	16.5	52.5	14.6	167.2	4.3	255.0
Accumulated depreciation, Jan 1		26.4	11.7	117.7		155.8
Translation differences		0.1	0.4	-1.1		-0.7
Depreciation and impairment for the period		1.4	0.1	13.9		15.4
Acquisitions and divestments		-0.1		-0.6		-0.6
Decreases		-0.4		-8.7		-9.2
Transfers between asset groups		0.0		-0.2		-0.2
Accumulated depreciation, Dec 31	0.0	27.4	12.2	121.0	0.0	160.6
Net book value, Dec 31	16.5	25.1	2.4	46.2	4.3	94.4

Investment commitments for tangible assets	1.8
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14. Biological assets

EUR million	2012	2011
Fair value, Jan 1	35.6	36.7
Increase due to growth	1.0	1.4
Change in fair value less estimated point-of-sale costs	1.0	-1.0
Harvested timber	-0.8	-1.5
Stocktaking*	4.4	
Fair value, Dec 31	41.2	35.6

Fiskars has some 15,000 hectares of real estate and forests in Finland, including the key landholding at Fiskars Village. For valuing biological assets Fiskars applies a three year rolling average price of standing timber, based on the statistics provided by the Finnish Forest Research Institute, and multiplied by the estimated volume of standing timber, taking into account the costs and risks relating to sales.

* Resulting from the stocktaking, both the total amount of standing timber and the proportional amounts of different types of timber changed.

15. Investment property

EUR million	2012	2011
Historical cost, Jan 1	18.8	18.6
Translation differences	-0.2	0.3
Decreases	-1.0	-0.1
Historical cost, Dec 31	17.6	18.8
Accumulated depreciation, Jan 1	12.6	11.0
Translation differences	-0.1	0.3
Depreciation and impairment for the period	0.4	1.4
Decreases	-0.7	-0.1
Accumulated depreciation and impairment, Dec 31	12.1	12.6
Net book value, Dec 31	5.5	6.2

Fair value

Investment Property comprises the parent company properties in Fiskars Village, Finland, and the leasing properties of Fiskars Brands, Inc. in the US that are not in Group's operational use. Properties in Fiskars Village are unique in their cultural and historical values. Therefore it is not possible to determine a comparable market value on the properties.

Book values by countries

EUR million	2012	2011
Finland	4.6	5.2
USA	0.8	1.0
Total	5.5	6.2

16. Investments in associates

EUR million	2012	2011
Net book value, Jan 1	300.8	341.0
Decreases	-41.5	-40.0
Share of profit	47.8	42.7
Dividends received	-26.8	-40.9
Share of other comprehensive income	0.1	-2.0
Other changes		
Net book value, Dec 31	280.4	300.8
Goodwill included in the net book value	46.4	54.0

Share of profit comprises the share of net profit in associate reduced with the EUR 26.8 million (40.9) dividends received. Share of other comprehensive income comprises changes in associated company's equity. In April 2012, Fiskars' wholly owned subsidiary Avlis AB sold 13.8% of its Wärtsilä holding (11.7% in February 2011).

Summary of financial information on the associate

EUR million	2012	2011
WÄRTSILÄ OYJ ABP		
Ownership -%	13.0	15.1
Assets	5,038	4,600
Liabilities	3,214	2,934
Equity	1,824	1,666
Net sales	4,725	4,209
Net profit	344	293

Fiskars' most important associate is Wärtsilä Corporation. Fiskars' ownership in Wärtsilä was 13.0% (15.1) of the shares and the votes. The shares are owned by Fiskars' wholly owned subsidiary Avlis AB. Fiskars is the largest single shareholder of Wärtsilä and Fiskars has significant influence through the number of members in the Board of Directors of Wärtsilä. Thus, Fiskars consolidates Wärtsilä as an associated company in accordance with IAS 28.

The market value of Wärtsilä shares owned by Fiskars as at December 31, 2012 amounted to EUR 839.0 million (663.9).

17. Financial assets

Investments at fair value through profit and loss

EUR million	2012	2011
Historical cost, Jan 1	8.9	6.7
Additions	0.2	0.2
Decreases		-0.3
Change in fair value through profit and loss	0.6	2.2
Book value, Dec 31	9.7	8.9

The investments comprise listed and unlisted shares as well as unlisted funds. Listed shares have been recognized at their fair value based on quotation at the end of the reporting period (fair value hierarchy level 1). Unlisted shares are measured at cost (level 3) since their fair value cannot be determined reliably. The fair value of unlisted funds is based on the market value reported by the fund (level 3). Changes in the fair value are booked in the income statement. For the definition of levels please see the accounting principles in note 1.

Other investments

EUR million	2012	2011
Historical cost, Jan 1	1.2	1.6
Translation differences	0.0	0.0
Additions	0.0	0.1
Decreases	-0.5	-0.4
Other changes	0.0	-0.1
Book value, Dec 31	0.8	1.2

Other investments comprise of non-current receivables and they are measured at the lower of cost and fair value (level 3).

18. Inventories

EUR million	2012	2011
Raw materials and consumables	20.1	22.8
Work in progress	8.8	10.9
Finished goods	106.8	97.3
Advance payments	0.5	0.2
Gross value of inventories	136.2	131.2
Write-down to the carrying value of inventories	-18.2	-12.9
Total, Dec 31	118.0	118.3

19. Trade and other receivables

EUR million	2012	2011
Trade receivables	101.0	111.0
Derivatives	0.4	1.1
Other receivables	6.5	4.8
Prepaid expenses and accrued income	8.2	7.7
Total, Dec 31	116.0	124.6

Aging of trade receivables

EUR million	2012	2011
Not fallen due	85.3	91.7
1–30 days past due	14.4	16.1
31–60 days past due	2.1	2.5
61–90 days past due	0.9	1.1
91–120 days past due	0.4	0.6
Over 120 days past due	1.1	2.4
Less provision for bad debts, Dec 31	-3.2	-3.4
Total, Dec 31	101.0	111.0

Trade receivables in currencies

EUR million	2012	2011
Danish Kroner (DKK)	5.7	6.8
Euros (EUR)	37.8	41.4
Norwegian Kroner (NOK)	5.7	7.7
Swedish Kronas (SEK)	7.5	7.9
United Kingdom Pounds (GBP)	3.1	6.1
US Dollars (USD)	31.7	31.6
Other currencies	9.4	9.4
Total, Dec 31	101.0	111.0

Trade receivables are widely spread geographically. The biggest customers are major retailers with solid credit ratings. Credit loss risks are estimated to be moderate. The maximum exposure to credit risk is the carrying amount of the trade receivables.

20. Cash and cash equivalents

EUR million	2012	2011
Cash at bank	16.4	6.1
Total, Dec 31	16.4	6.1

21. Share capital

Share capital and treasury shares

	2012 pcs 1,000	2011 pcs 1,000	2012 EUR million	2011 EUR million
Share capital				
Jan 1	82,023	82,023	77.5	77.5
Share capital, Dec 31	82,023	82,023	77.5	77.5

	2012 pcs 1,000	2011 pcs 1,000	2012 EUR million	2011 EUR million
Treasury shares				
Jan 1	118.1	112.6	0.9	0.8
Change		5.5		0.1
Treasury shares, Dec 31	118.1	118.1	0.9	0.9

Number of shares and votes

	Dec 31, 2012			Dec 31, 2011		
	Number of shares	Number of votes	Share capital EUR	Number of shares	Number of votes	Share capital EUR
Shares (1 vote/share)	82,023,341	82,023,341	77,510,200	82,023,341	82,023,341	77,510,200
Total	82,023,341	82,023,341	77,510,200	82,023,341	82,023,341	77,510,200

Fiskars Corporation has a single class of shares. Shares have no nominal value.

22. Finance

Non-current interest bearing debt

EUR million	2012		2011	
	Fair value	Carrying amount	Fair value	Carrying amount
Loans from credit institutions	63.9	63.9	66.5	66.5
Financial leasing debt	5.5	5.5	8.8	8.8
Other non-current debt			0.1	0.1
Total, Dec 31	69.3	69.3	75.4	75.4

All interest-bearing debts are valued at amortized cost. The fair values of interest-bearing debts have been calculated by discounting the cash flow of the debt by the market rate at the end of reporting period (fair value hierarchy level 2).

Finance lease debt

EUR million	2012	2011
Finance lease liabilities are payable as follows:		
Less than one year	2.1	2.1
Between one and five years	5.0	6.7
More than five years	1.4	4.2
Minimum lease payments in total	8.5	12.9

Minimum lease payments, principal

EUR million	2012	2011
Less than one year	1.6	1.5
Between one and five years	4.1	5.5
More than five years	1.3	3.3
Present value of minimum finance lease payments	7.1	10.3
Future finance charges	1.5	2.6

Current interest bearing debt

EUR million	2012		2011	
	Fair value	Carrying amount	Fair value	Carrying amount
Bank overdrafts	12.9	12.9	8.9	8.9
Commercial papers	5.0	5.0	72.0	72.0
Financial leasing debt	1.6	1.6	1.5	1.5
Other	0.9	0.9	0.0	0.0
Total, Dec 31	20.4	20.4	82.5	82.5

Maturity of liabilities

As of December 31, 2012 the Group has unused credit facilities EUR 430 million (455) at its disposal to guarantee its liquidity. The average maturity of the credit limit agreements as of December 31, 2012 was 2.9 years (3.2). Agreements concerning credit facilities and long term loans include among others covenants for the solidity. Incompliance with the covenants would lead to a premature expiry of the agreements. Potential default would require considerably deterioration of the solidity from the current level.

2012

EUR million	2013	2014	2015	2016	2017	Later years	Total
Bank overdrafts	12.9						12.9
Commercial papers	5.0						5.0
interests	0.0						0.0
Other debt	0.9						0.9
Loans from credit institutions		11.4	22.5			30.0	63.9
interests	1.0	1.5	1.2	0.7	0.7	0.4	5.6
Financial leasing	1.6	1.7	1.1	0.7	0.6	1.3	7.1
interests	0.5	0.4	0.3	0.1	0.1	0.0	1.5
Trade payables	49.7						49.7
Derivative liabilities	0.2	0.1	1.3			0.6	2.3
Total, Dec 31	71.9	15.1	26.4	1.6	1.4	32.4	148.8
	48.3%	10.2%	17.8%	1.0%	0.9%	21.8%	100.0%

2011

EUR million	2012	2013	2014	2015	2016	Later years	Total
Bank overdrafts	8.9						8.9
Commercial papers	72.0						72.0
interests	0.5						0.5
Other debt						0.1	0.1
Loans from credit institutions			14.0	22.5		30.0	66.5
interests	1.5	1.8	1.7	1.2	0.7	1.1	8.0
Financial leasing	1.5	1.7	1.8	1.0	0.9	3.3	10.3
interests	0.5	0.4	0.3	0.3	0.2	0.8	2.6
Trade payables	51.6						51.6
Derivative liabilities	1.1						1.1
Total, Dec 31	137.7	4.0	17.8	25.0	1.8	35.4	221.6
	62.1%	1.8%	8.0%	11.3%	0.8%	16.0%	100.0%

Sensitivity analysis of currency exposure

The exchange rate sensitivity analysis in accordance with IFRS 7 has been carried out by examining how the profit before taxes or consolidated group equity would be impacted by a 10% devaluation of a currency against all other currencies. Impact from a 10% appreciation of a currency against all other currencies would be opposite. The analysis of impact on profit includes internal and external foreign currency denominated financial items of the parent company in the selected currencies. Commercial cash flows consist of net foreign currency flows of purchases and sales estimated to take place during the following year by the business units and hedged internally. Financial items include foreign currency denominated loans, deposits and external derivatives. The selected currencies represent approximately 90% of the commercial net foreign currency flows. The sensitivity analysis on the group consolidated equity illustrates translation risk related to the foreign currency denominated equity.

EUR million	2012			2011		
	Impact on result before taxes			Impact on result before taxes		
	Estimated commercial cash flows	Other financial items	Impact on group equity	Estimated commercial cash flows	Other financial items	Impact on group equity
CAD	-0.6	0.6	-1.7	-0.6	0.6	-0.6
DKK	-0.9	0.2	-0.8	-1.0	1.4	-1.9
GBP	-0.5	0.5	1.3	-0.8	0.8	0.6
NOK	-1.5	1.5	-1.9	-1.4	1.4	-1.3
SEK	-2.0	2.1	-2.1	-1.6	1.6	-1.5
USD	2.7	-2.8	-3.5	2.6	-2.6	-13.5

Average interest rates and sensitivity analysis of interest expenses

The sensitivity of interest expenses on changes in interest rates has been presented by simulating a permanent one percentage unit raise in interest rates at the end of the reporting year. The Corporation's net interest bearing debt as of December 31, 2012 was EUR 72.4 million (150.8) and the average interest reset period was 11 months (8). A permanent one percentage point raise in all interest rates would increase the corporation's annual interest costs by EUR 0.3 million (1.0) assuming no change in the amount of the net debt.

The table below shows the Corporation's net interest bearing debt, currency derivatives, average interest rates on loans and interest rate sensitivity by major currencies.

2012						
EUR million	EUR	USD	GBP	SEK	Other	Total
External loans and deposits	52.1	26.8	0.2	-0.8	-5.9	72.4
Currency derivatives	-4.0	-37.5	26.3	2.3	12.5	-0.4
Net debt and currency derivatives	48.1	-10.7	26.6	1.6	6.6	72.0
Average interest rate on loans (p.a.)	1.8%	3.0%				2.2%
Interest rate sensitivity	0.2	-0.2	0.3	0.0	0.0	0.3

2011

EUR million	EUR	USD	GBP	SEK	Other	Total
External loans and deposits	121.0	24.8	0.1	0.9	4.0	150.8
Currency derivatives	103.9	-143.0	25.5	3.4	9.0	-1.1
Net debt and currency derivatives	224.9	-118.1	25.6	4.2	13.1	149.7
Average interest rate on loans (p.a.)	2.0%	3.2%				2.3%
Interest rate sensitivity	1.9	-1.2	0.2	0.0	0.1	1.0

Operating lease obligations

EUR million	2012	2011
Payments next year	12.8	12.5
Payments later	28.5	34.0
Total, Dec 31	41.3	46.5

Contingencies and pledged assets

EUR million	2012	2011
Guarantees as security for subsidiaries' commitments	12.2	13.0
Lease commitments	41.3	46.5
Other contingencies	1.8	1.9
Total pledged assets and contingencies, Dec 31	55.2	61.4

Litigation

Fiskars is involved in a number of legal actions, claims and other proceedings. The final outcome of these matters cannot be predicted. Taking into account all available information to date the outcome is not expected to have material impact on the financial position of the Group. The court case related to Iittala in the Market Court was closed in 2012.

Nominal amounts of derivatives

EUR million	2012	2011
Derivatives not designated in hedge accounting:		
Forward exchange contracts	107.4	207.5
Electricity forward agreements	2.9	2.5
Cash flow hedges:		
Interest rate swaps	32.5	22.5

Fair value of derivatives

EUR million	2012	2011
Derivatives not designated in hedge accounting:		
Forward exchange contracts	0.4	1.1
Electricity forward agreements	-0.4	-0.3
Cash flow hedges:		
Interest rate swaps	-1.9	-0.8

The fair values of derivatives have been determined by using generally accepted valuation techniques supported by observable market data (fair value hierarchy level 2). Derivatives are recognised at fair value through profit and loss except for cash flow hedges, which are recorded in equity.

Maturity of derivatives

2012

EUR million	2013	2014	Later years	Total
Forward exchange contracts	107.4			107.4
Electricity forward agreements	1.1	0.9	0.9	2.9
Interest rate swaps			32.5	32.5
Total, Dec 31	108.5	0.9	33.4	142.8

2011

EUR million	2012	2013	Later years	Total
Forward exchange contracts	207.5			207.5
Electricity forward agreements	1.1	0.9	0.4	2.5
Interest rate swaps			22.5	22.5
Total, Dec 31	208.6	0.9	22.9	232.5

Fair value of financial instruments

2012

EUR million	Level 1	Level 2	Level 3	Total
Investments at fair value through profit and loss			9.7	9.7
Other investments			0.8	0.8
Derivative assets		0.4		0.4
Total assets		0.4	10.5	10.9
Derivative liabilities		2.3		2.3
Total liabilities		2.3		2.3

2011

EUR million	Level 1	Level 2	Level 3	Total
Investments at fair value through profit and loss			8.9	8.9
Other investments			1.2	1.2
Derivative assets		1.1		1.1
Total assets		1.1	10.1	11.2
Derivative liabilities		1.1		1.1
Total liabilities		1.1		1.1

For the definition of fair value category levels please see the accounting principles in note 1.

Financial risk management

Financial risks are managed by Corporate Treasury, in accordance with a set of risk management principles approved by the Board of Directors.

Currency risk

Currency risk is linked to changes in the value of Fiskars' cash flows, its balance sheet, and/or its competitiveness resulting from changes in exchange rates. Fiskars' currency position is split between its transaction position and translation position, both of which are managed separately.

Transaction risk results from the possibility that the value of expected cash flow denominated in a particular currency may change as a result of changes in exchange rates. Translation risk refers to the impact that changes in exchange rates can have on the consolidated balance sheet, and which can affect the value of balance sheet assets, equity, and debt liabilities. In addition to balance sheet values, changes in exchange rates can also result in changes in key indicators, such as the Group's equity ratio and gearing.

Fiskars aims to manage its currency risks primarily through business means. Acquisition of production inputs and sale of products are primarily denominated in the local currencies of the Group companies, of which the euro (41% of consolidated net sales), the US dollar (32%), the Swedish krona (8%), the Norwegian krone (4%), The Danish krone (4%) and the pound sterling (3%) are the most important. Higher levels of imports indirectly expose Fiskars to risks linked to changes in the local currencies of its suppliers, of which the most important are the Chinese renminbi and the Thai baht.

Transaction risk

The objective of Fiskars' approach to managing its transaction risk is to reduce the impact of changes in exchange rates on the Group's budgeted profitability and cash flows. Business units are responsible for managing the currency risks associated with their projected and agreed commercial cash flows. Units hedge their exposure using currency forwards with the Corporate Treasury.

Transaction risk is measured by net of the Group's commercial and financial receivables and liabilities denominated in foreign currencies. The net position is hedged by currency derivatives in accordance with the Treasury Policy approved by the Board of Directors. Currency forwards and swaps are the most widely used instruments in hedging currency risks. Derivatives are used solely for hedging purposes.

Fiskars does not apply hedge accounting as defined under IAS 39 for transaction risk purposes. All gains and losses made on currency derivatives are booked in the income statement. If hedge accounting had been applied to currency derivatives Fiskars' consolidated profit before tax for 2012 would have been EUR 0.6 million above the reported figure (2.9 million below).

Interest rate risk

Interest rate risk refers to possible changes in cash flow or in the value of assets or liabilities resulting from changes in interest rates. Interest rate risk is measured by the average reset period of interest rates of financial assets and liabilities. The average reset period reflects the time it takes on average for the change in interest rates to effect on the interest costs of net debt portfolio. The risk is quantified in monetary terms as the change in interest costs during the observation period caused by a permanent one percentage point rise in interest rates. The shorter the average reset period, the more unpredictable are the interest costs and thus the higher the interest rate risk.

Derivatives are used in the management of interest rate risks. The objective is to maintain the average reset period within the agreed limits of 4 to 18 months as set in the Treasury Policy. As of December 31, 2012 the nominal amount of outstanding interest rate derivatives was EUR 32.5 million (22.5).

The Group's interest-bearing net debt as of December 31, 2012 was EUR 72.4 million (150.8). 44% (78) of the net debt was linked to variable interest rates and including effect from interest rates derivatives 56% (22) to fixed interest rates. The average interest rate reset period of interest-bearing debt was 11 months (8).

Sensitivity of interest expenses on changes in market rates has been calculated by assuming permanent one percentage unit increase change in market rates and assuming no change in the net debt during the year. The calculated impact on the consolidated result before tax would be EUR 0.3 million (1.0) in 2013.

Liquidity and re-financing risk

Liquidity risk refers to the possibility of the Group's financial assets proving insufficient to cover its business needs or a situation in which arranging such funding would result in substantial additional costs. The objective of liquidity management is to maintain an optimal amount of liquidity to fund the business operations of the Group at all times while minimizing interest costs. Liquidity is considered to be the sum of cash and cash equivalents and available committed credit lines.

Re-financing risk refers to the possibility of such a large amount of liabilities falling due over such a short space of time that the re-financing needed might be unavailable or prohibitively expensive. The objective is to minimize the re-financing risk by diversifying the maturity structure of the debt portfolio.

The Group has extensive unused credit facilities at its disposal to guarantee its liquidity. As of the end of the year, the aggregate of unutilized committed revolving credit facilities and overdraft facilities totaled EUR 442.1 million (471.1). In addition, the Group's parent company in Finland has a commercial paper program with a number of leading banks amounting to EUR 400.0 million, of which EUR 5.0 million (72.0) was utilized as of the end of the year.

Commodity risk

Fiskars may use derivatives to hedge its exposure to commodity price fluctuations where appropriate. As of the end of the year, the Group held no commodity derivative contracts other than electricity futures with a nominal value of EUR 2.9 million (2.5) recognized at market value through the Income Statement.

Credit risk

Corporate Treasury is responsible for evaluating and monitoring financial counterparty risk. The Group minimizes this risk by limiting its counterparties to a limited number of major banks and financial institutions and by working within agreed counterparty limits. Business units are responsible for monitoring customer credit risks. The Group's clientele is extensive and even the largest customer represent less than 10% of the outstanding receivables. As of the end of the year, the Group's sales receivables totaled EUR 101.0 million (111.0), and the financial statements include provisions for bad debts related to sales receivables totaling EUR 3.2 million (3.4).

Management of Capital

Fiskars is not subject to any externally imposed capital requirements (other than eventual local company law requirements effective in the jurisdictions where Fiskars Group Companies are active).

The Group's objectives when managing capital are:

- to safeguard the Corporation's capacity to fund its operations and take care of its obligations under all business conditions
- to maintain a balanced business and investment portfolio that provides return both on short and long term to its shareholders
- to maintain possibilities to act on potential investment opportunities

23. Employee benefit obligations

Most of Fiskars Group's pension plans are defined contribution plans. The defined benefit plans in the US, Great Britain and Germany are closed plans, and future pay increases will not impact the valuation. The defined benefit plans in Norway are not closed. The Group also has supplementary pension plans in Finland which are classified as defined benefit plans. Authorized actuaries have performed the actuarial calculations for the defined benefit plans. The Group is responsible for some post-employment benefits in Italy, but the liabilities recorded are final and as such they are classified as defined contribution plans.

EUR million	2012	2011
Liabilities for post-employment benefits*	1.6	1.7
Defined benefit pension liabilities**	5.7	6.5
Pension liability total	7.3	8.2

* The liabilities for post-employment benefits: Italy EUR 1.3 (1.5) and Other 0.3 (0.2) million.

** The defined benefit liabilities consist of Germany EUR 1.3 (1.1), Norway -0.8 (-0.8), Netherlands 0 (1.4), UK -0.2 (-0.4), USA 5.2 (5.0) and Finland 0.2 (0.2) million.

Amounts as of December 31

EUR million	2012	2011	2010	2009	2008
Defined Benefit Obligation	25.2	26.1	26.4	27.1	23.9
Plan assets	19.5	19.6	19.7	20.0	17.0
Deficit/(Surplus) in the plan	5.7	6.5	6.7	7.1	6.9
Experience adjustments on plan liabilities	0.1	0.5	0.2	0.8	2.3
Experience adjustments on plan assets	0.4	-0.9	0.3	1.5	-4.9

Amounts recognized in the Balance Sheet

EUR million	2012	2011
Change in defined benefit obligation:		
Defined benefit obligation at the beginning of the year	26.1	26.4
Translation difference	0.5	0.6
Service cost	0.0	0.2
Interest cost	1.0	1.2
Actuarial (gain)/loss	1.8	-0.4
Settlements	-2.7	
Benefits paid	-1.6	-1.7
Defined benefit obligation, Dec 31	25.2	26.1
Changes in plan assets:		
Fair value of plan assets at the beginning of the year	19.6	19.7
Translation difference	0.6	0.4
Expected return on plan assets	0.9	1.0
Actuarial (gain)/loss	0.4	-1.1
Benefits paid	-1.6	-1.7
Employer contributions	1.2	1.4
Settlements	-1.3	
Other changes	-0.4	0.0
Fair value of plan assets, Dec 31	19.5	19.6
Net defined pension benefit liability at Dec 31	5.7	6.5

Amounts recognized in the income statement

EUR million	2012	2011
Current service cost	0.0	0.2
Interest cost	1.0	1.2
Effect of settlement and curtailments	-0.8	
Expected return on plan assets	-0.9	-1.0
Total	-0.7	0.4

Cumulative amounts recognized directly in other comprehensive income

EUR million	2012	2011
Actuarial gain/(loss)	-1.4	-0.6
Deferred tax	0.6	0.3
Total	-0.8	-0.3

Actual return on plan assets	1.3	0.1
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Plans in US and Germany are non-funded. Plans in Finland, Norway and the Netherlands are taken care of by local pension insurance companies. The plans in UK are funded by investments in equities and bonds totaling EUR 13.3 million of which EUR 9.3 million are investments in equities. The Group estimates its contributions to the plans during 2013 to be EUR 1.2 million.

Percentages of plan assets by asset group

%	2012	2011
Equity securities	54	49
Debt securities	7	4
Real Estate	6	7
Bonds	32	31
Other	1	9

Principal actuarial assumptions at the balance sheet date

Discount rate		
%	2012	2011
Great Britain	4.35	4.90–5.10
Germany	3.0	4.8
Finland	3.0	4.8
United States	3.1	4.2
Norway	2.2	3.3
The Netherlands		4.8

Expected return on plan assets, long term

%	2012	2011
Great Britain	4.35	1.60–5.15
Germany	n/a	n/a
Finland	3.0	4.8
United States	n/a	n/a
Norway	2.2	4.8
The Netherlands		4.8

Future salary increases

%	2012	2011
Great Britain	n/a	3.8
Germany	0.0	0.0
Finland	2.5	2.5
United States	n/a	n/a
Norway	3.3	4.0
The Netherlands		0–4.0

Future pension increases

%	2012	2011
Great Britain	0–2.75	2.3–3.0
Germany	2.0	1.8
Finland	2.1	2.1
United States	0.0	0.0
Norway	0.0	0.7
The Netherlands		0–2.5

24. Provisions

2012

Long-term provisions

EUR million	Warranty provision	Restructuring provision	Onerous contracts and other provisions	Total
Provisions, Jan 1	0.9	2.4	2.4	5.6
Translation differences	0.0	0.0	0.0	0.1
Additions	0.1	0.1	0.1	0.2
Used provisions		-1.5	-0.1	-1.6
Change in estimates	-0.1			-0.1
Reversals			-0.3	-0.3
Provisions, Dec 31	0.8	1.0	2.1	3.9

Short-term provisions

EUR million	Warranty provision	Restructuring provision	Onerous contracts and other provisions	Total
Provisions, Jan 1	1.0	0.6	0.5	2.1
Translation differences	0.0	0.0	0.0	0.0
Additions	0.2	1.2	0.4	1.8
Used provisions	-0.1	-1.1		-1.2
Change in estimates				0.0
Reversals		-0.1		-0.1
Provisions, Dec 31	1.1	0.6	0.9	2.6

2011

Long-term provisions

EUR million	Warranty provision	Restructuring provision	Onerous contracts and other provisions	Total
Provisions, Jan 1	1.0	1.7	2.5	5.2
Translation differences	0.0	0.0	0.0	0.0
Additions	0.0		0.1	0.0
Used provisions		-0.3	-0.1	-0.4
Change in estimates	-0.2	1.2	0.0	1.1
Reversals	0.0	-0.3	0.0	-0.3
Provisions, Dec 31	0.9	2.4	2.4	5.6

Short-term provisions

EUR million	Warranty provision	Restructuring provision	Onerous contracts and other provisions	Total
Provisions, Jan 1	1.0	1.4	0.1	2.5
Translation differences	0.0	0.0	0.0	0.1
Additions	0.2	0.0	0.4	0.6
Used provisions	-0.1	-0.7	0.0	-0.9
Change in estimates	0.0			0.0
Reversals	-0.1	-0.1		-0.2
Provisions, Dec 31	1.0	0.6	0.5	2.1

25. Trade and other payables

EUR million	2012	2011
Trade payables	49.7	51.6
Other debt	12.9	13.5
Accrued expenses and deferred income		
Interest payable	1.4	1.4
Wages, salaries and social costs	32.0	34.5
Customer rebates and commissions	23.5	21.5
Other	37.1	32.5
Total, Dec 31	156.6	154.9

Other accrued expenses and deferred income comprise periodization of bought materials and supplies, annual rebates for clients and other accrued items.

26. Related party transactions

Fiskars has no significant transactions, liabilities or receivables with its associated company, Wärtsilä. The dividend from Wärtsilä, EUR 26.8 million (40.9), has been reported as Dividends from associate in the Consolidated Statement of Cash Flows. The dividend was received in the first quarter of 2012. Iittala Group Oy Ab rents real estate from its associate Koy Iittalan Lasimäki and has granted a capital loan to the company at inception. The Chairman of the Board was awarded a onetime consultancy fee of EUR 200,000 for consultancy work related to the negotiation of the partnership agreement between Fiskars Group and Investor AB regarding long-term ownership of Wärtsilä.

In 2011 Fiskars has booked fees for legal services to Foley & Lardner LLP where Ralf Böer, board member of Fiskars, was Chairman and CEO until June 1, 2011. Ralf Böer did not provide any of the services, and total fees paid to Foley represent less than 0.25% of Foley's revenues.

EUR million	2012	2011
Rent	0.2	0.1
Capital loan	0.2	0.2
Legal service fees		0.4

Shareholdings of the Board and key management, December 31

Includes holding of corporations under controlling power together with a family member.

	2012			2011		
	Own holdings	Holdings of controlled corporations	Total	Own holdings	Holdings of controlled corporations	Total
Bergh Kaj-Gustaf	5,000		5,000	5,000		5,000
Böer Ralf	5,677		5,677	5,677		5,677
Ehrnrooth Alexander	1,625,000	10,227,000	11,852,000	1,625,000	10,200,000	11,825,000
Ehrnrooth Paul	8,205	9,095,406	9,103,611	8,205	9,030,406	9,038,611
Fromond Louise	601,135	8,294,050	8,895,185	601,135	8,229,050	8,830,185
Gripenberg Gustaf	243,320	4,057,289	4,300,609	243,320	4,057,289	4,300,609
Jonasson Blank Ingrid	0		0	0		0
Slotte Karsten	1,000		1,000	1,000		1,000
Suominen Jukka	1,500		1,500	1,500		1,500
Alfthan Max	2,500		2,500	2,500		2,500
Gaggl Risto*	0		0			
Kangas-Kärki Teemu**				2,000		2,000
Karlsson Jutta	0		0	0		0
Kauniskangas Kari	28,897		28,897	26,397		26,397
Korhonen Hille***				3,350		3,350
Pitkänen Ilkka****	1,750		1,750			

The Directors and the CEO do not have any debts to the company; nor has the company given pledges or taken on other responsibilities in their names. The shareholdings of the Board and key management represent in total 41.8% of the outstanding shares of the company.

* Member of the Executive board as of November 20, 2012.

** Member of the Executive board until March 2, 2012.

*** Member of the Executive board until October 31, 2012.

**** Member of the Executive board as of August 27, 2012.

Remuneration of the Board and key management

EUR thousand	2012	2011
Bergh Kaj-Gustaf	98.4	92.0
Böer Ralf	49.0	44.0
Ehrnrooth Alexander	64.0	62.6
Ehrnrooth Paul	63.4	62.0
Fromond Louise	47.2	45.2
Gripenberg Gustaf	49.8	47.2
Jonasson Blank Ingrid	49.0	44.6
Slotte Karsten	46.6	45.2
Suominen Jukka	49.0	44.6
Kauniskangas Kari	829.3	986.4
Executive board excl. President & CEO	1,131.0	1,179.7
Total	2,476.2	2,653.6

The key management consists of the Board of Directors, the President & CEO and the members of Corporate Management Team (Executive Board). The figures are presented on an accrual basis and the figures for the comparison period have been adjusted accordingly.

27. Subsidiaries and other participations

Shares in subsidiaries

	Domicile		% of share capital	% of voting power	Nature of activities
Avlis AB	Stockholm	SE	100.0	100.0	H
Fiskamin AB	Sollentuna	SE	100.0	100.0	H
ImanCo Oy	Helsinki	FI	100.0	100.0	H
iittala Group Oy Ab	Helsinki	FI	0.7	0.7	P
iittala Group Oy Ab	Helsinki	FI	99.3	99.3	P
Fiskars (Thailand) Co., Limited	Bangkok	TH	1.0	1.0	H
Fispo Sp. z o.o.	Warsaw	PL	100.0	100.0	D
Fiskars Sweden AB	Höganäs	SE	100.0	100.0	M
Nilsjohan AB	Höganäs	SE	100.0	100.0	D
Fiskars Estonia AS	Tallinn	EE	100.0	100.0	D
iittala BV	Oosterhout	NL	100.0	100.0	M
iittala BVBA	Antwerpen	BE	100.0	100.0	M
iittala GmbH	Solingen	DE	100.0	100.0	M
iittala Limited	Windsor Berkshire	GB	100.0	100.0	D
Fiskars Americas Holding Oy Ab	Raasepori	FI	100.0	100.0	H
Fiskars Brands, Inc.	Madison, Wi.	US	100.0	100.0	P
Fiskars Brands Global Holdings LLC	Madison, Wi.	US	100.0	100.0	D
Fiskars Canada, Inc.	Toronto	CA	100.0	100.0	M
Fiskars de Mexico, S.A. de C.V.	Mexico City	MX	100.0	100.0	D
Fiskars Servicios, S.A. de C.V.	Mexico City	MX	100.0	100.0	D
Puntomex Internacional, S.A. de C.V. iL	Tijuana	MX	100.0	100.0	D
Fiskars Europe Holding Oy Ab	Raasepori	FI	100.0	100.0	H
Consumer Brands (Hong Kong) Co., Limited	Hong Kong	HK	100.0	100.0	H
Fiskars (Thailand) Co., Limited	Bangkok	TH	98.0	98.0	H
Excalibur Management Consulting (Shanghai) Co., Ltd.	Shanghai	CN	100.0	100.0	H
Fiskars Brands Finland Oy Ab	Raasepori	FI	100.0	100.0	P
ZAO Fiskars Brands Rus	St. Petersburg	RU	100.0	100.0	P
Fiskars Denmark A/S	Silkeborg	DK	100.0	100.0	M
Fiskars Deutschland GmbH	Herford	DE	100.0	100.0	D
Fiskars France S.A.S.	Wissous	FR	100.0	100.0	P
Fiskars Germany GmbH	Herford	DE	100.0	100.0	P
Fiskars Italy S.r.l.	Premana	IT	100.0	100.0	P
Fiskars Norway AS	Oslo	NO	100.0	100.0	P
Fiskars Polska Sp. z o.o.	Slupsk	PL	100.0	100.0	P
Fiskars Spain S.L.U.	Madrid	ES	100.0	100.0	M
Fiskars UK Limited	Bridgend	GB	100.0	100.0	P
Fiskars Limited	Bridgend	GB	100.0	100.0	D
Kitchen Devils Limited	Bridgend	GB	100.0	100.0	D
Vikingate Limited	Nottingham	GB	100.0	100.0	D
Richard Sankey & Son Limited	Nottingham	GB	100.0	100.0	D

Fiskars (Australia) Pty Limited	Melbourne	AU	100.0	100.0	M
Fiskars Services Oy Ab	Helsinki	FI	100.0	100.0	H
Inha Works Ltd.	Ähtäri	FI	100.0	100.0	P
Ferraria Oy Ab	Raasepori	FI	100.0	100.0	H
Kiinteistö Oy Danskog gård	Raasepori	FI	100.0	100.0	H
Ab Åbo Båtvarf - Turun Veneveistämö Oy	Turku	FI	100.0	100.0	D
Fiskars (Thailand) Co., Limited	Bangkok	TH	1.0	1.0	H

Holding or management	H
Production and marketing	P
Marketing	M
Dormant	D

Shares in associates

	Number of shares	Domicile		% of share capital	% of voting power
Wärtsilä Corporation	25,641,347	Helsinki	FI	13.0	13.0

28. Post balance sheet events

On December 12, 2012 Fiskars signed a definitive agreement to acquire 100% of the shares in Royal Copenhagen A/S and Royal Scandinavian Modern KK Japan from Royal Scandinavia A/S, whose controlling parent company is the Danish private equity group, Axcel. The acquisition date was January 4, 2013. The total consideration payable (debt-free enterprise value) for the shares was DKK 490 million, equaling approximately EUR 66 million, less net debt and working capital adjustments as per closing of the transaction. The transaction was financed using Fiskars' existing credit programs.

The acquisition enables Fiskars to consolidate a unique portfolio of leading Scandinavian dining brands, as Royal Copenhagen's strong heritage in hand-painted dinner service ranges complements Fiskars' highly respected brands. Upon completion of the transaction, Royal Copenhagen became a part of Fiskars' Home business area. The acquisition is expected to have a positive effect on Fiskars Group's EBIT from 2013 onwards.

The acquisition-related costs paid for advisory and valuation services totalled EUR 1.1 million. These costs are included in item "Administration expenses" of the consolidated income statement. The initial accounting for the acquisition is incomplete, and therefore preliminary amounts for identifiable assets acquired and liabilities assumed are disclosed. Goodwill arising from the acquisition is estimated to amount to EUR 28 million, and is related to Fiskars' strengthening position in the Nordic countries, as well as in Asia, where Royal Copenhagen ranks among the leading brands selling premium dining products. Goodwill will not be deductible for income tax purposes.

The following table summarises the preliminary amounts of identifiable assets acquired and liabilities assumed at the acquisition date, as well as the preliminary amounts of the consideration transferred and arising goodwill:

EUR million

Intangible assets (excluding goodwill)	22.1
Property, plant & equipment	13.0
Financial assets	2.1
Deferred tax assets	11.8
Non-current assets total	48.9
Inventories	7.8
Trade and other receivables	14.6
Cash and cash equivalents	2.7
Current assets total	25.1
Interest bearing liabilities	21.4
Deferred tax liabilities	5.5
Pension liability and provisions	2.8
Non-current liabilities total	29.7
Interest bearing liabilities	4.3
Trade payables and other current liabilities	14.9
Current liabilities total	19.2
Non-controlling interests*	0.8
Net assets	24.3
Consideration transferred	52.3
Goodwill	28.0

The acquired entities will be consolidated to the consolidated financial statements as of January 4, 2013.

* Non-controlling interests are measured at the non-controlling interest's proportionate share of the acquiree's identifiable net assets.

FINANCIAL INDICATORS

Five years in figures

		2012	2011	2010	2009	2008
Net sales	EUR million	748	743	716	660	697
of which outside Finland	EUR million	579	569	550	519	546
in percent of net sales	%	77.4	76.6	76.8	78.6	78.2
export from Finland	EUR million	54	69	78	89	98
Percentage change of net sales	%	0.7	3.7	8.4	-5.3	7.7
Gross profit	EUR million	272	259	254	221	213
in percent of net sales	%	36.4	34.9	35.4	33.5	30.6
Operating profit (EBIT)	EUR million	64	53	49	39	6
in percent of net sales	%	8.5	7.1	6.9	6.0	0.9
Operating profit excluding non-recurring items	EUR million	63	62	60	40	41
Share of profit from associates	EUR million	48	43	66	66	70
Change in fair value of biological assets	EUR million	6	-1	-2	0	-6
Financial items net	EUR million	83	67	-6	-14	-19
in percent of net sales	%	11.1	9.1	-0.9	-2.2	-2.8
Profit before taxes	EUR million	200	162	107	91	52
in percent of net sales	%	26.8	21.8	14.9	13.8	7.4
Income tax (continuing operations)	EUR million	-22	-5	-12	-8	-2
Profit for the period attributable to the equity holders of the company	EUR million	179	156	94	84	49
in percent of net sales	%	23.9	21.1	13.2	12.7	7.1
Non-controlling interests' share of profit	EUR million				0.0	-0.1
Employee benefits	EUR million	173	172	173	165	187
Depreciation, amortization and impairment	EUR million	22	22	35	28	33
in percent of net sales	%	2.9	2.9	4.9	4.3	4.7
Cash flow from operating activities	EUR million	95	107	93	121	97
Capital expenditure (incl. acquisitions)	EUR million	33	24	19	15	30
in percent of net sales	%	4.4	3.3	2.6	2.2	4.3
Research and development costs in income statement	EUR million	8	9	8	9	8
in percent of net sales	%	1.1	1.2	1.2	1.3	1.2
Capitalized development costs	EUR million	1	1	1	0	1

Equity attributable to equity holders of the company	EUR million	619	554	553	505	447
Non-controlling interest	EUR million					0.0
Equity total	EUR million	619	554	553	505	447
Net interest bearing debt	EUR million	72	151	200	236	310
Working capital	EUR million	71	83	101	103	149
Balance sheet total	EUR million	935	940	979	973	970
Return on investment	%	29	23	15	14	9
Return on equity	%	31	28	18	18	11
Equity ratio	%	66	59	57	52	46
Net gearing	%	12	27	36	47	69
Personnel (FTE), average		3,364	3,545	3,612	3,867	4,325
Personnel, end of period		3,449	3,574	3,944	3,742	4,119
of which outside Finland		1,839	2,072	1,904	2,111	2,397

Share related figures

		2012	2011	2010	2009	2008
Share capital	EUR million	77.5	77.5	77.5	77.5	77.5
Earnings per share (basic and diluted)	EUR/share	2.18	1.91	1.15	1.05	0.64
continuing operations	EUR/share	2.18	1.91	1.15	1.05	0.64
Dividend per share*	EUR/share	0,65*	1.37	1.90	0.52	0.50
Dividend	EUR million	53.2	112.2	155.6	42.6	38.2
Equity per share	EUR/share	7.56	6.77	6.76	6.16	5.77
Adjusted average price**	EUR/share	16.00	16.92	13.94	8.25	10.91
Adjusted lowest price per share**	EUR/share	13.60	10.99	10.52	5.32	6.89
Adjusted highest price per share**	EUR/share	17.49	22.05	17.45	11.10	13.90
Adjusted price per share, Dec 31**	EUR/share	16.69	13.94	17.33	10.62	6.96
Market value of shares	EUR million	1,367.0	1,141.8	1,419.5	869.9	633.2
Number of shares, 1,000		82,023.3	82,023.3	82,023.3	82,023.3	77,510.2
Number of treasury shares, 1,000		118.1	118.1	112.6	112.6	112.5
Number of shares traded, 1,000		4,883.3	5,730.3	6,626.0	4,406.8	5,082.1
Price per earnings**		8	7	15	10	11
Dividend per earnings in percent	%	29.8	71.9	165.3	51.0	77.6
Dividend yield in percent**	%	3.9	9.8	11.0	4.9	7.2
Number of shareholders, Dec 31		16,148	15,339	12,213	11,916	9,899

* Board's proposal.

** The combination of the share series A and K was registered on July 30, 2009. The earlier years include the share information for share serie A.

Basic and diluted earnings per share are equal, as the company has no potential ordinary shares.

Calculation of financial indicators

Earnings before depreciation and amortization	= Operating profit + depreciation and amortization + impairment	
Return on investment in %	= $\frac{\text{Profit for the period} + \text{income taxes} + \text{interest and other financial expenses}}{\text{Equity, total} + \text{interest-bearing liabilities}}$ (average of beginning and end of year amounts)	x100
Return on equity in %	= $\frac{\text{Profit for the period}}{\text{Equity, total}}$ (average of beginning and end of year amounts)	x100
Equity ratio in %	= $\frac{\text{Equity, total}}{\text{Balance sheet total}}$	x100
Net gearing in %	= $\frac{\text{Interest bearing debt} - \text{cash and bank}}{\text{Equity, total}}$	x100
Earnings per share	= $\frac{\text{Profit attributable to equity holders of the company}}{\text{Weighted average number of outstanding ordinary shares}}$	
Earnings per share from continuing activities	= $\frac{\text{Profit from continuing activities attributable to equity holders of the company}}{\text{Weighted average number of outstanding ordinary shares}}$	
Equity per share	= $\frac{\text{Equity attributable to equity holders of the company}}{\text{Number of outstanding ordinary shares}}$	
Adjusted average share price	= $\frac{\text{Value of shares traded during the period}}{\text{Number of shares traded during the period, adjusted for emissions}}$	
Market capitalization	= Number of outstanding ordinary shares Dec 31 x market quotation Dec 31	
Price per earnings (P/E)	= $\frac{\text{Market quotation per share, Dec 31}}{\text{Earnings per share}}$	
Dividend per earnings in %	= $\frac{\text{Dividend paid}}{\text{Profit attributable to equity holders of the company}}$	x100
Dividend per share	= $\frac{\text{Dividend paid}}{\text{Number of outstanding shares, Dec 31}}$	
Dividend yield in %	= $\frac{\text{Dividend per share}}{\text{Market quotation, Dec 31 adjusted for emissions}}$	x100

PARENT COMPANY FINANCIAL STATEMENTS, FAS

Parent company income statement

EUR	Note	2012	2011
Net sales	2	25,962,621.01	25,576,722.22
Cost of goods sold	4	-3,927,128.83	-4,624,327.93
Gross profit		22,035,492.18 85%	20,952,394.29 82%
Administration expenses	4	-18,796,184.84	-18,228,441.72
Other operating income	3	225,550.48	165,280,785.24
Other operating expenses	4	-17,506.59	-13,470.94
Operating profit		3,447,351.23 13%	167,991,266.87
Financial income and expenses	7	428,965,488.50	-1,902,943.51
Profit (loss) before extraordinary items		432,412,839.73	166,088,323.36
Extraordinary items	8	13,981,208.03	4,667,800.00
Profit (loss) before appropriations and taxes		446,394,047.76	170,756,123.36
Appropriations		402,847.14	289,834.41
Income taxes	9	-4,564,796.68	-1,603,429.91
Profit (loss) for the period		442,232,098.22	169,442,527.86

Parent company balance sheet

EUR	Note	Dec 31, 2012	Dec 31, 2011
Assets			
NON-CURRENT ASSETS			
Intangible assets	10	492,794.31	606,496.98
Tangible assets	11		
Land and water		15,456,681.34	15,455,097.84
Buildings		13,983,471.06	13,854,814.61
Machinery and equipment		1,233,656.44	1,556,910.68
Construction in progress		462,376.38	978,494.87
Tangible assets total		31,136,185.22	31,845,318.00
Investments	12		
Holdings in subsidiaries		880,487,444.36	592,405,728.04
Receivables from subsidiaries		2,174,300.00	5,167,236.66
Other shares		6,326,313.57	6,147,777.76
Investments total		888,988,057.93	603,720,742.46
Non-current assets total		920,617,037.46	81% 636,172,557.44 72%
CURRENT ASSETS			
Inventories	13	166,910.78	234,468.99
Non-current loan receivables		22,805.22	27,805.22
Current receivables			
Trade receivables		163,060.08	129,497.23
Receivables from subsidiaries	14	218,605,412.76	239,405,896.59
Other receivables		144,734.56	3,085,993.96
Prepayments and accrued income	15	1,352,879.21	1,489,405.05
Current receivables total		220,266,086.61	244,110,792.83
Cash and cash equivalents	16	1,629,990.00	487,814.02
Current assets total		222,085,792.61	19% 244,860,881.06 28%
Assets total		1,142,702,830.07	100% 881,033,438.50 100%

Shareholders' equity and liabilities

SHAREHOLDERS' EQUITY	17				
Share capital		77,510,200.00		77,510,200.00	
Revaluation reserve		3,789,720.00		3,789,720.00	
Treasury shares		-864,706.21		-864,706.21	
Other reserves		3,204,313.18		3,204,313.18	
Retained earnings		337,427,893.38		280,172,326.46	
Profit (loss) for the financial year		442,232,098.22		169,442,527.86	
Shareholders' equity total		863,299,518.57	76%	533,254,381.29	61%
APPROPRIATIONS	18	622,913.84		1,025,760.98	
LIABILITIES					
Non-current	19				
Loans from credit institutions		63,868,804.00		64,092,858.80	
Liabilities to subsidiaries				2,398.36	
Non-current liabilities total		63,868,804.00		64,095,257.16	
Current					
Loans from credit institutions		15,621,992.49		80,776,391.59	
Trade payables		485,350.16		492,321.06	
Liabilities to subsidiaries	20	190,678,343.45		194,561,720.70	
Income tax payable		1,022,583.06			
Other payables		3,192,240.47		3,641,888.53	
Accruals and deferred income	21	3,911,084.03		3,185,717.19	
Current liabilities total		214,911,593.66		282,658,039.07	
Liabilities total		278,780,397.66	24%	346,753,296.23	39%
Shareholders' equity and liabilities total		1,142,702,830.07	100%	881,033,438.50	100%

Parent company statement of cash flows

EUR	2012	2011
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before appropriations and taxes	446,394,047.76	170,756,123.36
Adjustments for		
Depreciation, amortization and impairment	1,616,884.47	1,692,039.48
Investment income	-115,273.50	-164,657.76
Interest income and dividends	-63,453,940.33	-2,666,848.35
Interest expenses	3,638,451.83	4,569,791.86
Change in provisions and other non-cash items	-383,116,291.26	-169,759,631.14
Cash flow before changes in working capital	4,963,878.97	4,426,817.45
Changes in working capital		
Change in current assets, non-interest bearing	808,256.51	457,285.77
Change in inventories	67,558.21	14,782.16
Change in current liabilities, non-interest bearing	-5,763,324.04	144,199.78
Cash flow from operating activities before financial items and taxes	76,369.65	5,043,085.16
Dividends received	60,302,231.32	506.81
Financial income received	2,747,212.84	2,527,377.85
Financial expenses paid	-4,053,880.75	-4,272,774.60
Taxes paid	-1,551,213.62	-6,026,521.04
Cash flow from operating activities (A)	57,520,719.44	-2,728,325.82
CASH FLOW FROM INVESTING ACTIVITIES		
Investments in group companies		-131.40
Repayment of equity, Avlis AB	81,068,283.68	150,500,000.00
Investments in financial assets	-207,373.61	-179,000.00
Investments in property, plant & equipment	-803,316.48	-1,304,000.00
Proceeds from sale of property, plant & equipment and other investments	151,915.70	285,786.16
Sale of other holdings	311.09	296,000.00
Change in long term loan receivables	2,997,936.66	70,204,189.82
Cash flow from investing activities (B)	83,207,757.04	219,802,844.58
CASH FLOW FROM FINANCING ACTIVITIES		
Purchase of treasury shares		-71,000.00
Change in current debt	-64,429,668.40	-15,622,656.81
Change in current receivables	32,362,528.84	-64,312,874.12
Dividends paid	-112,186,960.94	-155,630,371.80
Group contribution received/paid	4,667,800.00	18,109,000.00
Cash flow from financing activities (C)	-139,586,300.50	-217,527,902.73
Change in cash and cash equivalents (A+B+C)	1,142,175.98	-453,383.97
Cash and cash equivalents at beginning of period	487,814.02	941,197.99
Cash and cash equivalents at end of period	1,629,990.00	487,814.02

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

1. Parent company accounting principles, FAS

The financial statements have been prepared in accordance with local requirements and generally accepted accounting principles in Finland (Finnish Accounting Standards, FAS). The financial statements are presented in euro.

The preparation of financial statements in conformity with regulations in force and generally accepted accounting principles requires management to make estimates and assumptions that affect the valuation of assets and liabilities and reported amounts of revenues and expenses. Actual results could differ from those estimates.

Transactions in foreign currencies

Transactions in foreign currencies are recorded at the rates of exchange prevailing at the date of the transaction. At the end of the reporting period balances in foreign currencies are translated using the exchange rate prevailing at the end of the reporting period. Derivatives are recognized at market values.

Net sales

Net sales are defined as invoiced amount less indirect taxes, rebates and exchange rate differences related to sales. Revenue is recognized when all significant risks and rewards of ownership have been transferred to the buyer, i.e. when a product has been delivered to the client in accordance with the terms of delivery. Royalty income from trademarks held by Fiskars Corporation is recorded as net sales.

Leasing arrangements

Lease payments are expensed as incurred. Future leasing payment obligations are reported as contingent liabilities. Rent income, when the company acts as a lessor, is recorded as net sales.

Pension benefit plans

The retirement plans for the Finnish companies' employees are funded through payments to independent insurance companies.

Extraordinary income and expenses

Group contributions, merger losses and liquidation losses are reported in extraordinary income and expenses.

Income taxes

Income taxes consist of the aggregate current tax expense based on the Finnish tax rules and adjustments to prior year taxes. Parent company does not account for deferred taxes as a stand-alone entity.

Tangible and intangible assets and other long-term investments

Tangible and intangible assets are stated at cost less accumulated depreciation according to plan. Certain land holdings have been revalued.

Revaluations are based on market values at time of the revaluation. Revaluation reserves are adjusted for decreases in the market value of land holdings. When revalued real estate is sold, the respective share in the revaluation reserve is transferred to retained earnings.

Tangible and intangible assets are depreciated and amortized over their expected useful lives. The following expected useful lives are applied:

- Long-term expenditure, 3–10 years
- Buildings, 20–40 years
- Vehicles, 4 years
- Machinery and equipment, 3–10 years
- Land and water, no depreciation

Investments in subsidiaries are stated in the balance sheet at cost or at net realizable value if the net realizable value is significantly and permanently impaired.

Inventories

Inventories are stated at the lower of cost and net realizable value. Cost includes both direct and indirect costs. Cost is determined on a first-in first-out (FIFO) basis. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Receivables

Receivables are valued at the lower of original and recoverable value.

Provisions

Provisions consist of reserves for future losses to which the Company is committed or that are perceived probable.

Appropriations

Appropriations in the parent company balance sheet consist of depreciation in excess of plan.

2. Net sales

EUR	2012	2011
Royalties	20,933,236.43	20,159,550.75
Lease income	2,986,836.26	2,865,850.09
Other	2,042,548.32	2,551,321.38
Total	25,962,621.01	25,576,722.22

3. Other operating income

EUR	2012	2011
Net gain on sale of property, plant and equipment	132,780.09	177,526.54
Valuation gain of subsidiary shares retated to contribution in kind*		165,084,868.60
Other income	92,770.39	18,390.10
Total	225,550.48	165,280,785.24

* Valuation gain of subsidiary shares related to assignment of the shares in Fiskars Brands Inc as contribution in kind to Fiskars Americas Holding Oy Ab.

4. Total expenses

Total expenses by nature

EUR	2012	2011
Materials and supplies	164,209.17	193,906.22
Change in inventory	67,558.21	14,782.16
Employee benefits	7,062,554.75	7,104,005.23
Depreciation, amortization and impairment	1,616,884.47	1,692,039.48
External services	897,589.37	456,558.74
Other	12,932,024.29	13,391,477.82
Total	22,740,820.26	22,852,769.65

Other operating expenses

EUR	2012	2011
Loss on sale of property, plant and equipment	17,506.59	12,868.78
To subsidiaries		602.16
Total	17,506.59	13,470.94

5. Fees paid to Company's auditors

EUR	2012	2011
Audit fees	88,258.00	77,062.64
Tax consultation	143,080.66	205,336.77
Other	392,853.00	30,838.00
Total	624,191.66	313,237.41

6. Personnel costs and number of employees

Personnel costs

EUR	2012	2011
Wages and salaries	5,030,284.56	5,828,023.39
Pension costs	1,042,747.58	876,614.20
Other personnel costs	989,522.61	216,382.53
Total	7,062,554.75	6,921,020.12

Number of employees

	2012	2011
Average (FTE)	52	48
End of period	49	50

7. Financial income and expenses

EUR	2012	2011
Dividend income		
From subsidiaries	60,301,716.32	
From other parties	515.00	506.81
Dividend income, total	60,302,231.32	506.81
Interest and financial income from non-current investments		
From subsidiaries	2,943,879.79	2,795,528.61
From other parties		
Interest and financial income from non-current investments, total	2,943,879.79	2,795,528.61
Other interest and financial income		
From subsidiaries		1,348,791.06
From other parties	437,911.63	-162,449.56
Other interest and financial income, total	437,911.63	1,186,341.50
Interest and financial income, total	3,381,791.42	3,981,870.11
Reversal of impairment of non-current investments		
Subsidiaries*	369,150,000.00	
Reversal of impairment of non-current investments, total	369,150,000.00	
Interest and other financial expenses		
To subsidiaries	-881,953.47	-759,704.07
To other parties	-2,986,580.77	-5,125,616.36
Interest and other financial expenses, total	-3,868,534.24	-5,885,320.43
Total financial income and expenses	428,965,488.50	-1,902,943.51
Net exchange gains and losses included in financial items	230,082.41	-33,262.49

* The impairment of Avlis AB, recorded in 2008, was reversed to its original book value.
Avlis AB is a subsidiary of Fiskars Corporation.

8. Extraordinary items

EUR	2012	2011
Group contribution received	18,881,208.03	9,765,000.00
Group contribution paid	-4,900,000.00	-5,097,200.00
Total	13,981,208.03	4,667,800.00

9. Income taxes

EUR	2012	2011
Current year taxes for profit before extraordinary items	-1,131,946.65	-387,280.87
Tax for extraordinary items	-3,425,395.97	-1,213,628.00
Income tax for previous periods	-7,454.06	-2,521.04
Income taxes per income statement	-4,564,796.68	-1,603,429.91

10. Intangible assets

EUR	2012	2011
Historical cost, Jan 1	2,406,148.97	2,603,385.86
Additions	17,594.38	218,237.50
Decrease		-365,486.97
Transfers	-2,898.88	-49,987.42
Historical cost, Dec 31	2,420,844.47	2,406,148.97
Accumulated amortization according to plan, Jan 1	1,799,651.99	1,965,725.14
Amortization according to plan	128,398.17	165,012.59
Decrease		-353,184.28
Transfers		22,098.54
Accumulated amortization according to plan, Dec 31	1,928,050.16	1,799,651.99
Net book value, Dec 31	492,794.31	606,496.98

11. Tangible assets

2012

EUR	Land and water	Buildings	Machinery and equipment	Construction in progress	Total
Historical cost, Jan 1	5,738,638.84	33,972,592.37	5,395,147.18	978,494.87	46,084,873.26
Additions	182.00	462,082.77	12,172.19	311,285.52	785,722.48
Decreases	-1,280.35	-1,830.90	-202,090.84		-205,202.09
Transfers	2,681.85	816,041.24	11,579.80	-827,404.01	2,898.88
Historical cost, Dec 31	5,740,222.34	35,248,885.48	5,216,808.33	462,376.38	46,668,292.53
Accumulated depreciation according to plan, Jan 1		20,117,777.76	3,838,236.50		23,956,014.26
Depreciation according to plan		1,154,093.97	305,554.53		1,459,648.50
Decreases		-1,519.81	-165,576.64		-167,096.45
Transfers		-4,937.50	4,937.50		0.00
Accumulated depreciation according to plan, Dec 31		21,265,414.42	3,983,151.89		25,248,566.31
Revaluation, Jan 1	9,716,459.00				9,716,459.00
Revaluation, Dec 31	9,716,459.00				9,716,459.00
Book value Dec 31, 2012	15,456,681.34	13,983,471.06	1,233,656.44	462,376.38	31,136,185.22

2011

EUR	Land and water	Buildings	Machinery and equipment	Construction in progress	Total
Historical cost, Jan 1	5,597,843.02	34,082,479.56	5,738,024.40	306,131.21	45,724,478.19
Additions	148,974.17	140,468.07	210,685.06	1,348,668.23	1,848,795.53
Decreases	-8,178.35	-159,345.59	-553,562.28		-721,086.22
Transfers		-91,009.67		-676,304.57	-767,314.24
Historical cost, Dec 31	5,738,638.84	33,972,592.37	5,395,147.18	978,494.87	46,084,873.26
Accumulated depreciation according to plan, Jan 1		19,045,629.20	4,026,660.26		23,072,289.46
Depreciation according to plan		1,182,316.53	312,367.99		1,494,684.52
Decreases		-110,167.97	-500,791.75		-610,959.72
Accumulated depreciation according to plan, Dec 31		20,117,777.76	3,838,236.50		23,956,014.26
Revaluation, Jan 1	9,716,936.16				9,716,936.16
Decreases	-477.16				-477.16
Revaluation, Dec 31	9,716,459.00				9,716,459.00
Book value Dec 31, 2011	15,455,097.84	13,854,814.61	1,556,910.68	978,494.87	31,845,318.00

12. Investments

2012

EUR	Holdings in subsidiaries	Receivables from subsidiaries	Other shares	Total
Historical cost, Jan 1	961,555,728.04	5,167,236.66	6,830,262.76	973,553,227.46
Additions			259,738.47	259,738.47
Decreases	-81,068,283.68	-2,992,936.66	-52,364.86	-84,113,585.20
Historical cost, Dec 31	880,487,444.36	2,174,300.00	7,037,636.37	889,699,380.73
Write-downs, Jan 1	-369,150,000.00		-682,485.00	-369,832,485.00
Decreases and increases	369,150,000.00		-28,837.80	369,121,162.20
Write-downs, Dec 31	0.00		-711,322.80	-711,322.80
Net book value, Dec 31, 2012	880,487,444.36	2,174,300.00	6,326,313.57	888,988,057.93

2011

EUR	Holdings in subsidiaries	Receivables from subsidiaries	Other shares	Total
Historical cost, Jan 1	983,276,888.44	75,366,426.48	6,904,626.86	1,065,547,941.78
Additions	128,778,839.60		179,000.00	128,957,839.60
Decreases	-150,500,000.00	-70,199,189.82	-253,364.10	-220,952,553.92
Historical cost, Dec 31	961,555,728.04	5,167,236.66	6,830,262.76	973,553,227.46
Write-downs, Jan 1	-405,456,029.00		-682,485.00	-406,138,514.00
Decreases and increases	36,306,029.00			36,306,029.00
Write-downs, Dec 31	-369,150,000.00		-682,485.00	-369,832,485.00
Net book value, Dec 31, 2011	592,405,728.04	5,167,236.66	6,147,777.76	603,720,742.46

Shares in subsidiaries

	Number of shares	Domicile		% of share capital	% of voting power	Book value
Avlis AB*	25,641,347	Stockholm	SE	100.0	100.0	533,118,788.70
Ferraria Oy Ab	750,000	Raasepori	FI	100.0	100.0	17,659,665.00
Fiskamin AB	1,000,000	Sollentuna	SE	100.0	100.0	49,085,185.85
Fiskars Americas Holding Oy Ab	1,000	Raasepori	FI	100.0	100.0	207,571,862.76
Fiskars Europe Holding Oy Ab	1,000	Raasepori	FI	100.0	100.0	71,340,500.00
Fiskars Services Oy Ab	250	Helsinki	FI	100.0	100.0	2,500.00
Fiskars (Thailand) Co., Ltd.	100	Bangkok	TH	1.0	1.0	2,409.12
Inha Works Ltd.	10,000	Ähtäri	FI	100.0	100.0	1,199,446.33
Kiinteistö Oy Danskog gård	4,000	Raasepori	FI	100.0	100.0	504,563.78
Ab Åbo Båtvarf - Turun Veneveistämö Oy	150	Turku	FI	100.0	100.0	2,522.82
Total, Dec 31, 2012						880,487,444.36

* Holds 13% (15.1) of Wärtsilä shares. The market value of Wärtsilä shares as at December 31, 2012 amounted to EUR 839.0 million (663.9).

Other shares

	Book value
Other shares owned by the parent company	6,326,313.57
Total Dec 31, 2012	6,326,313.57

13. Inventories

EUR	2012	2011
Work in progress	14,039.00	19,224.72
Finished goods	152,871.78	215,244.27
Total, Dec 31	166,910.78	234,468.99

14. Receivables from subsidiaries

EUR	2012	2011
Trade receivables	2,620,952.88	458,567.80
Loan receivables	17,773,526.66	20,751,482.11
Other receivables	176,460,606.23	205,845,179.62
Prepayments and accrued income	21,750,326.99	12,350,667.06
Total, Dec 31	218,605,412.76	239,405,896.59

15. Prepayments and accrued income

EUR	2012	2011
Prepaid and accrued interest	1,007,651.15	639,975.98
Other prepayments and accruals	345,228.06	849,429.07
Total, Dec 31	1,352,879.21	1,489,405.05

16. Cash and cash equivalents

EUR	2012	2011
Cash and cash equivalents	1,629,990.00	487,814.02
Total, Dec 31	1,629,990.00	487,814.02

17. Shareholders' equity

EUR	2012	2011
Share capital		
Jan 1	77,510,200.00	77,510,200.00
Share capital, Dec 31	77,510,200.00	77,510,200.00
Revaluation reserve		
Jan 1	3,789,720.00	3,789,720.00
Revaluation reserve, Dec 31	3,789,720.00	3,789,720.00
Treasury shares		
Jan 1	-864,706.21	-793,554.00
Change		-71,152.21
Treasury shares, Dec 31	-864,706.21	-864,706.21
Other reserves		
Jan 1	3,204,313.18	3,204,313.18
Other reserves, Dec 31	3,204,313.18	3,204,313.18
Retained earnings		
Jan 1	449,614,854.32	435,802,698.26
Dividends	-112,186,960.94	-155,630,371.80
Net profit	442,232,098.22	169,442,527.86
Retained earnings, Dec 31	779,659,991.60	449,614,854.32
less treasury shares	-864,706.21	-864,706.21
Distributable earnings, Dec 31	778,795,285.39	448,750,148.11

18. Appropriations

EUR	2012	2011
Depreciation in excess of plan, Jan 1	1,025,760.98	1,315,595.39
Changes during the year	-402,847.14	-289,834.41
Depreciation in excess of plan, Dec 31	622,913.84	1,025,760.98

The deferred tax liabilities, 24.5% from appropriations, have not been recognized.

19. Non-current liabilities falling due later than within 5 years

EUR	2012	2011
Loans from credit institutions	30,000,000.00	30,000,000.00

20. Liabilities to subsidiaries

EUR	2012	2011
Trade payables		3,542,504.88
Other liabilities	185,758,865.82	185,035,330.90
Accruals and deferred income	4,919,477.63	5,983,884.92
Total, Dec 31	190,678,343.45	194,561,720.70

21. Accruals and deferred income

EUR	2012	2011
Interest payable	924,540.05	1,096,896.88
Wages, salaries and social costs	2,088,536.00	1,764,851.59
Other items	898,007.98	323,968.72
Total, Dec 31	3,911,084.03	3,185,717.19

22. Lease obligations

EUR	2012	2011
Payments next year	807,662.00	734,104.00
Payments later	2,158,069.00	1,986,993.00
Total, Dec 31	2,965,731.00	2,721,097.00

23. Contingencies and pledged assets

EUR	2012	2011
As security for own commitments	712,541.00	1,040,448.00
Lease commitments	2,965,731.00	2,721,097.00
Guarantees as security for subsidiaries' commitments	12,151,314.00	13,017,885.00
Total, Dec 31	15,829,586.00	16,779,430.00

BOARD'S PROPOSAL FOR THE ANNUAL GENERAL MEETING

The distributable equity of the Parent Company at the end of the 2012 fiscal year was EUR 778.8 million (448.8).

The Board of Directors proposes to the Annual General Meeting of Shareholders that a dividend of EUR 0.65 per share be paid for 2012.

The number of shares entitling to a dividend totaled 81,905,242. The proposed distribution of dividend would thus be EUR 53,238,407.30. This would leave EUR 725.6 million of distributable profit funds at the Parent Company.

No material changes have taken place in the financial position of the Company since the end of the fiscal year. The financial standing of the Company is good and, according to the Board of Directors' assessment, distributing the proposed dividend will not compromise the Company's solvency.

Helsinki, February 6, 2013

Kaj-Gustaf Bergh

Ralf Böer

Alexander Ehrnrooth

Paul Ehrnrooth

Louise Fromond

Gustaf Gripenberg

Ingrid Jonasson Blank

Karsten Slotte

Jukka Suominen

Kari Kauniskangas
President and CEO

AUDITOR'S REPORT

To the Annual General Meeting of Fiskars Corporation

We have audited the accounting records, the financial statements, the report of the Board of Directors, and the administration of Fiskars Corporation for the year ended 31 December, 2012. The financial statements comprise the consolidated balance sheet, consolidated income statement, consolidated statement of comprehensive income, statement of changes in consolidated equity and consolidated statement of cash flows and notes to the consolidated financial statements, as well as the parent company's balance sheet, income statement, statement of cash flows and notes to the financial statements.

Responsibility of the Board of Directors and the President and CEO

The Board of Directors and the President and CEO are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, as well as for the preparation of financial statements and the report of the Board of Directors that give a true and fair view in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The Board of Directors is responsible for the appropriate arrangement of the control of the company's accounts and finances, and the President and CEO shall see to it that the accounts of the company are in compliance with the law and that its financial affairs have been arranged in a reliable manner.

Auditor's responsibility

Our responsibility is to express an opinion on the financial statements, on the consolidated financial statements and on the report of the Board of Directors based on our audit. The Auditing Act requires that we comply with the requirements of professional ethics. We conducted our audit in accordance with good auditing practice in Finland. Good auditing practice requires that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and the report of the Board of Directors are free from material misstatement, and whether the members of the Board of Directors of the parent company and the President and CEO are guilty of an act or negligence which may result in liability in damages towards the company or have violated the Limited Liability Companies Act or the articles of association of the company.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements and the report of the Board of Directors. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements and report of the Board of Directors that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements and the report of the Board of Directors.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion on the consolidated financial statements

In our opinion, the consolidated financial statements give a true and fair view of the financial position, financial performance, and cash flows of the group in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU.

Opinion on the Company's financial statements and the report of the Board of Directors

In our opinion, the financial statements and the report of the Board of Directors give a true and fair view of both the consolidated and the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of the financial statements and the report of the Board of Directors in Finland. The information in the report of the Board of Directors is consistent with the information in the financial statements.

Helsinki February 6, 2013

KPMG Oy Ab

Virpi Halonen

Authorized Public Accountant

SHARES

Information on the share

Fiskars Corporation's shares are traded in the Large Cap segment of NASDAQ OMX Helsinki Ltd. The Company has one series of shares FIS1V. All shares carry one vote each and have equal rights.

The total number of shares at the end of 2012 was 82,023,341. The share capital remained unchanged in 2012 at EUR 77,510,200.

Share details

Market	NASDAQ OMX Helsinki
ISIN	FI0009000400
Trading code	FIS1V (OMX)
Segment	OMXH Large Cap
Industry	3000 Consumer Goods
Supersector	3700 Personal & Household Goods
Shares as of Dec 31, 2012	82,023,341

Fiskars' share price

EUR, Jan 1, 2008–Dec 31, 2012



Treasury shares

As of the end of the year, Fiskars owned 118,099 treasury shares, corresponding to 0.14% of the Corporation's shares and votes. The Company has acquired the shares at the NASDAQ OMX Helsinki in accordance with the authorizations of the general meetings of the shareholders. The acquisitions have been made from December 10, 2003 through August 22, 2011.

Board authorizations

The Annual General Meeting decided to authorize the Board to acquire a maximum of 4,000,000 Fiskars' own shares and convey a maximum of 4,000,000 Fiskars' own shares. The Board may also decide on the acquisition and conveyance of shares in derogation of the pre-emptive right of shareholders to company shares. Both authorizations will remain in force until June 30, 2013.

On August 2, 2012 the Board of Directors decided to commence to acquire the company's own shares on the basis on the authorization given by the Annual General Meeting held on March 15, 2012. The authorization may be used to acquire shares to be used for the development of the capital structure of the company, as consideration in corporate acquisitions or industrial reorganizations and as part of the company's incentive system and otherwise for further transfer, retention or cancellation. The maximum number of shares to be acquired is one million (1,000,000), corresponding to 1.2% of the total number of shares. No shares were acquired during the reporting period.

Changes in the number of shares, 2008–2012

	A share	K share	Total	
Total shares, Dec 31, 2008	54,944,492	22,565,708	77,510,200	
Jul 30, 2009	-54,944,492	-22,565,708	77,510,200	Combination of share series
Jul 30, 2009			4,513,141	Directed issue: one new share for each five series K shares
Jul 31, 2009			11,863,964	Directed issue to shareholders of Agrofin
Aug 8, 2009			-11,863,964	Cancelling shares in accordance with the merger of Agrofin
Total shares, Dec 31, 2009			82,023,341	
Total shares, Dec 31, 2010			82,023,341	
Total shares, Dec 31, 2011			82,023,341	
Total shares, Dec 31, 2012			82,023,341	
Treasury shares			118,099	

SHAREHOLDERS

Fiskars Corporation had 16,148 (15,339) shareholders as of the end of the year. Approximately 2.1% (2.8) of the share capital was owned by foreign or nominee-registered shareholders.

Management shareholding

On December 31, 2012, the Board members, the President & CEO and the companies where they have a controlling interest together with a family member, owned a total of 34,197,729 shares corresponding to 41.8 % of the Company's shares and votes. The Company did not have any share option programs.

Share ownership, December 31, 2012

	Number of shareholders	%	Number of shares and votes	%
Private companies	615	3.81	32,283,597	39.36
Financial and insurance institutions	26	0.16	1,411,280	1.72
Public sector organizations	9	0.06	4,635,862	5.65
Households	15,193	94.09	31,672,227	38.61
Non-profit organizations	196	1.21	10,270,036	12.52
Foreigners	109	0.68	420,743	0.51
Nominee registered			1,312,512	1.60
Other			17,084	0.02
Total	16,148	100.00	82,023,341	100.00

Distribution of shares, December 31, 2012

Number of shares	Number of shareholders	%	Number of shares and votes	%
1–100	5,636	34.90	356,725	0.43
101–500	6,402	39.65	1,700,404	2.07
501–1,000	1,849	11.45	1,422,628	1.73
1,001–10,000	1,965	12.17	5,420,792	6.61
10,001–100,000	227	1.41	6,017,412	7.34
100,001–1,000,000	55	0.34	18,790,395	22.91
1,000,001–	14	0.09	48,314,985	58.90
Total	16,148	100.00	82,023,341	100.00

Major shareholders, December 31, 2012

	Total shares	% of shares and votes
1 Virala Oy Ab	10,227,000	11.52
2 Turret Oy Ab	9,095,406	11.01
3 Holdix Oy Ab	8,294,050	10.03
4 I.A. von Julins Sterbhus	2,689,120	3.63
5 Sophie von Julins stiftelse	2,551,791	3.28
6 Varma Mutual Pension Insurance Company	2,469,326	3.11
7 Oy Julius Tallberg Ab	2,277,035	3.01
8 Ilmarinen Mutual Pension Insurance Company	1,675,871	2.78
9 Ehrnrooth Jacob	1,626,929	1.98
10 Ehrnrooth Alexander	1,625,000	1.98
11 Fromond Elsa	1,623,926	1.97
12 Ehrnrooth Albert	1,610,372	1.96
13 Ehrnrooth Sophia	1,536,230	1.87
14 Stiftelsen för Åbo Akademi	1,012,929	1.22
15 Wrede Sophie	821,790	1.00
16 Hartwall Peter	748,450	0.91
17 Åberg Albertina	740,679	0.91
18 Lindsay von Julin & Co Ab	733,320	0.90
19 Therman Anna Maria Elisabeth	722,436	0.89
20 Gripenberg Margareta	628,974	0.88
20 major shareholders	52,710,634	64.86

Shareholders

